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LIFE OF DAVID  
LLOYD GEORGE

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LIFE OF  
DAVID LLOYD GEORGE

VOL. III











*Photograph by Elliott & Fry*

*Right Hon. H. H. Asquith*

# LIFE OF DAVID LLOYD GEORGE

BY  
HERBERT DU PARCQ, M.A., B.C.L.  
OF THE MIDDLE TEMPLE, BARRISTER-AT-LAW.

VOLUME III

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## PREFATORY NOTE TO THE THIRD VOLUME

**I**N this volume the biography of Mr. Lloyd George is brought down to the end of 1912; and a selection of the speeches in which he has set out his policy and ideals, both in and out of office, form the contents of the fourth volume.

I am anxious to express my gratitude to Mr. T. H. T. Case (of Lincoln's Inn, Barrister-at-Law), who has given me invaluable assistance in the preparation of the chapter dealing with the Merchant Shipping Act.

H. DU P.



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1905.

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*May 24.*—At Liverpool on the House of Lords.



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#### 1907.

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*March 12.*—In the House of Commons on Welsh Disestablishment.

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*November 30.*—Death of Mair Eiluned George.

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#### 1908.

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*February 27.*—Government's Licensing Bill introduced.

*February 28.*—At Queen's Hall on Free Trade.

*March 13.*—Receives the freedom of Carnarvon.

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*March 26.*—Speech at Queen's Hall (United Kingdom Alliance).

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*May 6.*—Port of London Bill, Second Reading.

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*May 28.*—Mr. Lloyd George introduces Old Age Pensions Bill.

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*July 9.*—Old Age Pensions Bill, Third Reading.

*July 28.*—Addresses Peace Meeting, Queen's Hall.

*August.*—Visit to Germany.

*November 10.*—Appointed Constable of Carnarvon Castle.

*December 5.*—Addresses Women's Liberal Federation, Albert Hall.

*December 21.*—At Liverpool on the Licensing Bill and the House of Lords.

#### 1909.

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*November 21.*—Speech at Mile End.  
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*November 29–December 12.*—Speeches in Wales.  
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     Majority in Carnarvon Boroughs 1,208.  
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1911.

*May 4.*—National Insurance Bill introduced.  
     Speech to National Liberal Federation, Bath.

*May 25.*—National Insurance Bill, Second Reading.  
*July 21.*—At the Mansion House on the international situation.  
*August 10.*—Parliament Bill passes the House of Lords.  
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1912.

*January 29.*—At Woodford.  
*February 12.*—Inauguration meeting of Liberal Insurance Act campaign.  
*February 23.*—Addresses National Union of Women's Suffrage Societies.  
*July 13.*—At Kennington.  
*July 15.*—Insurance Act becomes operative.  
*September 21.*—Opening of village institute, Llanystumdwy.



# LIFE OF DAVID LLOYD GEORGE

## CHAPTER I

### I

The dying Parliament—The birth of Tariff Reform—An alternative policy—Mr. Lloyd George attacks monopolies—The land and the people—The Corn Tax—Mr. Chamberlain's campaign—Mr. Lloyd George on Mr. Chamberlain's record as to Old Age Pensions—Autumn manoeuvres—Mr. Lloyd George on the Government's tactics—"Latitude and Longitude"—Mr. Lloyd George and Mr. Winston Churchill: a new alliance.

**I**N the last three years of its existence the Cabinet drank the cup of humiliation to the dregs. Elected as they had been at a moment when a change of Government seemed to most of the electors to be impracticable, they had never been loved for themselves alone. The Education Act, with which we have dealt already, alienated the Nonconformists who had tolerated them. That was only the beginning of worse ills. Mr. Chamberlain returned from a triumphant progress in South Africa with a policy in his pocket which was to divert the attention of a censorious public from the Ministry's past record. Its promulgation deprived the Cabinet of its Colonial Secretary, and split the Unionist party. His successor at the Colonial Office made a complete submission to Lord Milner the only rule of his administration, and won the approval of Lord Milner at the cost of the indignant censure of the people of Great Britain and of the Transvaal. The Report of the Royal Commission on the War was, in Lord Rosebery's phrase, an "awful indictment" of a Cabinet which had not known the dangers of "bluffing" with a weak hand. At home, the application of the principles of the Education Act to London could not be carried into law without a revelation, which astonished everybody, of Mr. Balfour's inability to keep



his party or his Cabinet in hand ; and the Government's contribution to constructive temperance legislation was of such a character that it won gratitude and applause chiefly from those friends of temperance whose pecuniary interest lay in increasing the sale of drink.

Mr. Lloyd George has provided us with a description, characteristically forcible, of the last phase of the Government's existence. There was formed, he said, a triple alliance between priestcraft, drink, and the forces of political corruption. The Government went to the priest and said, "Support us, we are tottering, and we will give into your charge, fettered, the children of the land." They went to the brewer and said, "Help us, and we will bring in a Bill that will prevent even magisterial justice from interfering with the tragic working of your trade." They went to the trader and said, "You need not depend upon the quality of your wares, your commercial intelligence, or the excellence of your business management, if you will assist us, because we will help you to make profit out of the poor of the land."<sup>1</sup>

His share in the struggle for the schools did not absorb the whole of his activities. The speeches in which he used his gifts of exposition and of ridicule to lay bare the ugly truths behind the attractive fallacies of Mr. Chamberlain's scheme were of great service in those most critical days, when it seemed possible that the Colonial Secretary might catch the tide of Imperialism before it turned. The Licensing Bill found him ready, not as a mere teetotal zealot, but as a formidable and businesslike opponent. But even in Opposition his work was not wholly destructive.

Mr. Chamberlain returned from his triumphal tour in South Africa in the middle of March 1903, and in the month of May he made the first announcement of his new fiscal policy. About a month earlier Mr. Lloyd George made a speech at Newcastle.<sup>2</sup> No political observer would have hesitated at the time to say that Mr. Chamberlain's was the more important pronouncement. Indeed, Mr. Lloyd George's speech attracted no great measure of attention. Yet it contained early presage of a policy of aggressive Liberalism which was to engage with Chamberlainism in a long and doubtful struggle for supremacy. It held the promise of those social and economic reforms which Radicalism was to offer as the alternative to the allurements of Tariff Reform. With these, and with the campaigns in their support, the name

<sup>1</sup> Speech before the Baptist Union, October 8, 1903.

<sup>2</sup> April 4, 1903. See Vol. IV. pp. 617-626.

of Lloyd George has come to be more particularly associated, for good or evil, than that of any living man. Sometimes they have been represented as mere electioneering expedients. It is useful, then, to observe that before the policy of Tariff Reform had been brought to birth Mr. Lloyd George, in Opposition, was interpreting the principles of the Liberal Party in the same spirit in which he was afterwards to give effect to them in office.

His speech was in part a protest against opportunism. He warned the Liberal party that its salvation lay in a devotion to principle. There had been, he said, too great a disposition in late years to play up to the whims and caprices of "the man in the street"—a person who gave neither time nor serious thought to the study of politics, but only began to think of them when something sensational occurred to draw his attention in their direction. Nothing could be more detrimental to good government than that the policy of any party should be dictated by the mere passions of a superficial observer, while the reflections of the real students of politics who gave their best time and thought to the study were brushed aside.

The task of Liberalism, he declared, was to grapple with the problem of poverty. Seven per cent. of the people in our great cities lived in a state of chronic destitution—a hand-to-mouth existence. Thirty per cent., or nearly one-third, lived on or below the poverty line. What was the remedy? Extravagant national expenditure must be reduced, and there must be efficiency in all departments of the State. But above all it was necessary to deal with "those enormous trusts and monopolies which are interfering with national development, crushing out industries, and pressing heavily upon vast numbers of the people of this country." The trusts known in America were ephemeral: those existing in this country were part of the social fabric. They had their commencement in the days of William the Conqueror. The first was "the great land Trust." In London alone the land was worth about £500,000,000. It was worth more than all the municipal debt throughout the kingdom—the money which had been sunk in great municipal enterprises, in waterworks, sanitation, lighting, tramways and roads. Who had created that wealth? Not the landlords. London was a swamp, and the landlords did not even create that. All its wealth had been created by the industry, the energy, and the enterprise of the people who dwelt in London. Every year the value of the land in London was improving by the capital sum of £10,000,000. That improved value was due to the energy of the people, not to the great landlords into whose coffers this enormous sum of



money was pouring. What did they contribute out of these vast sums to the public expenditure? If the great towns had not expended money upon sanitation and lighting and roads, the value of the land would never have been created: the communities themselves could never have existed. It would hardly be believed by anybody outside this country that the landlords had not contributed a penny towards that great local expenditure. The first duty of any reforming progressive Government would be to compel those gentlemen to contribute their fair share.

He put forward the taxation of land values as something more than a redressing of the balance of taxation. It would be a powerful weapon against overcrowding. Until it came, measures for the housing of the working classes could never be effective. And what did overcrowding mean? It was a question of health and happiness, self-respect, morality. How could we expect to have a healthy, sound race, when men, at the end of their hard day's work, were supposed to recruit the strength consumed in their toil in habitations where some of our great landlords would not pen their cattle?

He went on to tell his audience of the awful fact which the evidence before the Old Age Pensions Committee had made manifest—that if the age for a pension were fixed at sixty-five, large masses of workmen would never live to benefit by it. The explanation lay in the terrible habitations to which the large proportion of our unskilled workmen in the large towns were driven at the end of their day's work. As long as the landlords were allowed to charge prohibitive prices for a bit of land, even waste land, without contributing anything to local resources, so long would this terrible congestion remain in our towns.

He dealt more briefly with the question of rural land, which he held to be "very important for the towns as well," because the agricultural labourer was driven into the unhealthy environment of the towns, to depress the wages there.

The only thing I will put to you is this: There is something wrong where the labourer works hard from morning till night in spring, summer, autumn and winter, in rain and sunshine, only to receive his 11s. a week in vast areas of rural England—in a country where you give thousands of pounds to men who do not labour at all.

He passed on to the question of mining royalties. He told of mines in South Wales worked upon land, once common land, and enclosed under an Enclosure Act. The lord of the manor put it under the plough. One day it was discovered that there was a great treasure beneath the land. Then the lord of the



manor allowed the land to be opened up on condition that he was paid, for the damage to the surface, three times as much as the surface was worth. Supposing coal was found there, the lord of the manor, with three times the value of the surface in his pocket, added a charge of fivepence, sixpence, or a shilling a ton for all the coal raised—a third or fourth of the wages of the miner. That was not all. The lord of the manor made the housing of the miners on his land an occasion for further exorbitant profit to himself.

But, supposing that something happens to the miner. He goes down into the bowels of the earth, facing dark, weird, and potent enemies, the savage forces of untamed nature, at any moment ready to maim, mutilate or crush the life out of him. Supposing he falls, this soldier of industry, does the mining royalty owner contribute one penny towards his care or his cure? Does he make any provision for those dependent on him? If he is killed, what does the mining royalty owner pay? It is true that the man who sinks his capital, even though the accident that destroys the miner may destroy his fortune, is compelled to contribute.

“Next time the Progressive forces of this country are once more triumphant their first task will be to teach their civil duties to these people.”

The rest of this speech, the other “monopolies” which it attacked, need not now be considered, but I make no apology for having paused here, at the outset of this story of Mr. Lloyd George’s part in Mr. Chamberlain’s fiscal campaign, to point to a speech which, little as the fact was realised at the time, held out the promise of the antidote to Protection.

It was not the first time that Mr. Lloyd George had expressed such views. The policy of taxing land values had long appealed to his common sense and to his imagination, as any one may see who cares to turn back to a speech he delivered at Bangor in 1891.<sup>1</sup> But a comparison between the two speeches shows a great advance in the twelve years that had elapsed. He had sharpened generalities to a point, and out of the vague ideal he was constructing a workmanlike proposal. It is significant also that while other leading members of the Opposition were content to confine their oratory within the ample field which criticism of the Government and the recommendation of approved Liberal measures allowed to them, he was already breaking fresh ground.

This speech, then, and Mr. Chamberlain’s first protectionist oration were delivered within little more than a month of one

<sup>1</sup> See Vol. I., pp. 130–132.

another. There is one feature common to both. Neither orator was content with things as they were, or with the ordinary shibboleths of party warfare. Each was urging his party on to a course of high adventure, and each, it may be added, knew how to paint in the most glowing colours the prospects of reward.

Of the forces against which Mr. Chamberlain had to contend not the least formidable was the conservatism of the English people. In this country the jury of public opinion always puts a very heavy burden of proof on the reformer. Liberalism therefore found itself, by the weight of circumstances, allied with many of the stationary forces in politics, and there was a strong temptation to endeavour to cement the alliance by discarding a great part of the Liberal programme. Many were disposed to welcome the opportunity of forming a Whig party, in which some of the strongest elements on the Free Trade side might have combined to form a bulwark which should withstand impartially the assaults of progress on the one side and of reaction on the other. Mr. Lloyd George, with his views of the duty of Liberalism to the poorest classes in the community, early saw the danger into which such counsels of timid prudence might lead the cause of progress.

He recognised that there was neither honour nor even safety in seeking to limit Liberalism to the arid dogma of non-interference. But it was not in the sham remedies that came from Birmingham that salvation lay.

I am all for encourag'ng home production, but I will tell you how I would do it. I would have better land laws in this country: I would give security of tenure and fair rent, so that the people might put all they could into the land with confidence. I would have cheaper transit, for it should not cost as much, and more, to carry your goods from one part of the United Kingdom to the other as it costs you to transport them across the ocean to New York. Above all, I would have a fuller, freer, and better education—it means everything for the people. That is where Germany is beating us, if she is beating us at all. . . . What we want is to improve the quality of the brains of the people, and send them into life not with the blunt weapon of unhammered iron, but with the fine weapon of tempered steel. . . . No poor man can afford to be ignorant—leave that to the rich.<sup>1</sup>

At Manchester he claimed that he also was a “protectionist”:

There is abundant wealth in this country, and by its side there is hideous poverty. If the Cabinet want an inquiry, let them inquire into that. Mr.

<sup>1</sup> Hanley, June 19, 1903.



Chairman, I also am a protectionist. I avow myself a man who believes in protecting industry. Yes, I would protect people—not from honest labour abroad—I would protect the agricultural industry from the extortion that confiscates its improvements. I would protect the education of the sons and daughters of the people from the black sceptre of the priest. I would protect labour from the unconscionable tyranny and oppression of men of the type of Lord Penrhyn. And above all I would protect industry from that terrible evil which is worse here than in any land, that ill which is enfeebling the health, the strength, the intelligence, which oppresses the people in their effort not merely in the struggle with foreign foes, but in that nobler struggle to rise up to a healthier, a purer and a nobler zone of life.

At the beginning of 1904 we find him warning the advanced Radicals of the New Reform Club not to allow Mr. Chamberlain to exploit the Colonies “as if they were so many outlying provinces of Imperial Birmingham,” or to force Liberals into apparent opposition to fellow-countrymen who were governed on principles “95 per cent. of which were the principles of the New Reform Club.” He warned them also against another danger, the besetting temptation, as has already been suggested, of Liberalism at the time. In defending the *status quo* in regard to our fiscal system they were appealing to conservative elements in the country: they must not, he insisted, forget on that account that they were a party of Reform. They must not allow their defence of the existing fiscal system to be misunderstood as a defence of the existing social system. They would only be assisting Mr. Chamberlain if they kept their projected reforms out of sight. Such a course, he held, was not even to be defended upon the ground of expediency. In any case they ought to be careful not to pay too dearly for the influential support they would obtain from the other side, but he believed that, of those who would leave the Tory party to join them, three-fourths at least were essentially progressive. They must show the country that they had an alternative policy.

Mr. Chamberlain is right in so far as he says things are not well in this country. You cannot feed the hungry with statistics of national prosperity, or stop the pangs of famine by reciting to a man the prodigious number of cheques that pass through the clearing-house. We must therefore propose something better than Mr. Chamberlain. The Liberal Party needs more boldness, whether in dealing with the education question, the temperance question, or the land. We ought to see the agricultural labourer properly housed and the farmer secure in his tenure.

To say that there was a deliberate joinder of issue in 1903 between the Tariff Reformers on the one side and, on the other,

the advanced Radicalism which Mr. Lloyd George advocated, would be, no doubt, to exaggerate the importance of the position he held in the country at that date. It was not until he had established his hold upon the country and the Cabinet of which he became a member in 1906 that it was quite certain that something more than an enlightened Whiggism would be opposed to Tariff Reform. The truth seems to be that since the last phase of Chamberlainism began, new lines of cleavage have run through British politics which are by no means coincident with the rough division into Liberal and Conservative. There has been one solid mass of opinion which has sighed for peace from new ideas, has seen in Tariff "Reform," in Land "Reform," in Licensing "Reform," and the rest, only so many madcap ventures. Its motto is "leave well alone." Its component elements form, from one point of view, a "drag" far more effective than any House of Lords could ever be. That is their strength: their weakness is that they have never coalesced into one party. Some of them are old-fashioned Liberals, some moderate Conservatives, many will tell you that they are not party men. Those that are allied to a party are the despair of the progressive elements in its ranks. The pathos of their position is that since 1909 they have been called upon to choose at each election between two calamities. For political warfare has come to be waged between two armies which, each regarding itself as representing progress, are always fighting for the bodies of our harassed Whigs. These militant forces have one thing in common—a profound distaste for the established order. One side sees the greatest reform of all in the imposition of a tariff, but a tariff is to be a golden bridge to all kinds of social reforms, not always very clearly specified. The land system will be reshaped upon the basis of peasant proprietorship, the poor law will somehow be reformed. The other despises the policy of Tariff Reform, but has a contempt no less sincere for the doctrine of *laissez faire* once associated with Liberalism. The most compendious way of stating its aims and its aspirations is to say that it looks to Mr. Lloyd George as its leader.

It is not to be pretended for a moment that this is an exhaustive classification of political schools of thought even among those comparatively few people in our islands who have anything like a coherent theory of politics. One must allow for those who will support a tariff, as they will support small concessions of social reform, merely as an insurance against deprivation of their own privileges, and, on the other side, for those prosperous merchants who would vote for almost anything rather than lose the system



of free imports upon which they believe our commercial greatness to depend. But it remains true that the early part of the twentieth century has seen a triangular duel between Whigs, Tariff Reformers and Radicals, in which the Whigs have been driven out of the fighting line, and the Radicals have won in at least the first encounters.

An attentive and observant Whig might have seen the first menace of the fate that awaited him when Mr. Lloyd George delivered his attack upon monopolies in April, even before Mr. Chamberlain's campaign had begun. The Colonial Secretary's scheme burst upon the country (or at any rate upon Birmingham—the two were sometimes confused at that date) in a blaze of glory. Its glory was to fade sadly in the following years. But the unofficial member of the Opposition has at least been able to take the first steps along the road which he then pointed out towards the regeneration of England.

The Budget of 1902 had given great satisfaction to the Protectionist leaven in the Conservative party by its imposition of a tax on corn under the thin disguise of a "registration duty;" but the Chancellor of the Exchequer<sup>1</sup> had been at pains to deny that the tax was protective. Only three Unionists had rebelled against it: many Free Traders in the Ministerial ranks—Mr. Churchill among others—had voted in favour of it. In April 1903 Mr. Ritchie, the new Chancellor, destroyed the hopes of Mr. Chaplin, Sir Howard Vincent, and the rest of the avowed protectionists, by removing the tax on the ground that the Government had been too optimistic in their belief that so small a duty would not increase the price of bread. The protectionists had the more excuse for their disappointment and resentment in that the tax had been introduced in the guise of a permanent addition to the revenue—not merely as a contribution by the masses to the cost of the war, but as a first step towards "broadening the basis of taxation." The seedling which, in their dreams, had grown into a tree with vast and friendly branches was suddenly and relentlessly uprooted. In the extremity of their grief they called upon Mr. Balfour, but in vain. From him no consolation came.

But on the very day when Mr. Balfour was speaking words of little comfort to a deputation headed by Mr. Chaplin, the oracle spoke at Birmingham. Then the protectionists saw that they had been passing through that darkest hour which, as we are assured, precedes the dawn. The cause they championed, from being the heresy of a few, had become in a single day the creed

<sup>1</sup> Sir Michael Hicks-Beach.



of thousands. What was more, a theory which for years had hardly been discussed except at the farmers' ordinary, was now on the way to drive all other controversial topics off the public platform.

The aspect of his policy which Mr. Chamberlain first presented to the public was its nobler Imperial side. "The calm induced by the solitude of the illimitable veldt" had not opened his eyes to the swift disintegration of British trade which he observed with horror and alarm when once he began to shape his policy for English platforms. His appeal at first was for a policy of colonial preference which was only "incidentally protective." In one respect at any rate his sagacity did not fail him. He had prophesied that the merely "local questions" which he found occupying the minds of his countrymen would have to give way to the discussion of his new proposals. He was not far wrong, although he was not able, as we shall see, to escape by his adroit introduction of a new issue into politics all the embarrassment of his own past and that of the Government.

A week after the Birmingham speech (May 22) an Old Age Pensions Bill was introduced by Mr. Remnant. Mr. Lloyd George had been, before the war began, an enthusiastic member of the Select Committee appointed to consider the question of Old Age Pensions.<sup>1</sup> "I really thought it meant business," he confessed afterwards.<sup>2</sup> "I was younger then. The Government said our scheme would cost too much, and, by way of a diversion, plunged into the South African war as a cheaper business." The author of the war had long asserted a special, and doubtless sincere interest in the question of Old Age Pensions. During the 1895 election he had spoken of a scheme of his own "so simple that any one could understand it." Mr. Lloyd George took the opportunity which this Friday afternoon's discussion of a private member's Bill afforded to deliver as scathing a criticism of Mr. Chamberlain as the House had ever heard.

Mr. Chamberlain was not in the House when Mr. Lloyd George rose to speak. A writer in the Conservative press has given us a picturesque description of his entrance :<sup>3</sup>

Mr. Lloyd George was lisping qualified approval. The magic words "Colonial Secretary" were uttered. There should have been an orchestral crash just then—but there was not. At that instant, however, from the mysterious shadow of the Speaker's chair—pale, attenuated, sinister, with raised eyebrow and drooping lip—how reminiscent of Irving making his first appearance in "Faust"—peered Mr. Chamberlain.

<sup>1</sup> See Vol. II., p. 214.

<sup>2</sup> Newcastle, April 4, 1903.

<sup>3</sup> The "World" newspaper.

The Colonial Secretary himself, Mr. Lloyd George said, had had an Old Age Pension Scheme. In fact, he was a man of many schemes, and this was one of them. By this time Mr. Chamberlain had seated himself and was lounging beside Mr. Walter Long on the Treasury Bench. He only once interrupted his opponent. It was when, with biting satire, Mr. Lloyd George taunted him with having pocketed the votes of the deserving poor, and afterwards deserted them in their suffering, and then, looking across at Mr. Chamberlain, whose expression was supercilious, said amidst merriment not confined to the Opposition Benches: "And all that the right honourable gentleman has for them now is a sneer." "I did not sneer," Mr. Chamberlain quickly retorted. "Well," said Mr. Lloyd George reflectively, "perhaps 'sneer' is not quite the right word—but he sniffs at them."

The Colonial Secretary, some years before, had gone through the country recommending his scheme—travelling for it—

And a very good trade he made of it. But the profits were not distributed among the deserving poor. He went down to the constituencies, denouncing Liberal candidates, and saying, "They have got impossible schemes to benefit the poor. I am the right man, and I have got the right thing." The right hon. gentleman pocketed the votes of the working classes, and forgot all about old age pensions. I am not going to use strong language about the transaction. The statement of the facts is itself sufficient. Since the right hon. gentleman made that speech a great many things have happened. The right hon. gentleman has seen the beauties of the illimitable veldt, and he has forgotten all about temperance, finance, education, and old age pensions. Those insignificant things are not to be put in the same category as the illimitable veldt. . . . It is the labours of the right hon. gentleman, which, by causing an expenditure of £250,000,000 for the war in South Africa, have brought the question of old age pensions to its present low estate. He has rounded the circle on this as he has on other topics. In 1894 the right hon. gentleman said that the deserving poor were impatient for this reform. Have the poor become less impatient? Or is it that they are less poor or less deserving? Why has the right hon. gentleman altered his opinion on the question? "What!" says the right hon. gentleman. "Deserving poor, are you clamouring for your pensions still? Turn your thoughts from these worldly, insignificant affairs, and contemplate the illimitable veldt!"

Mr. Chamberlain seemed to be disheartened and mortified by the delight which many of his own supporters showed hardly less than the Opposition members. He did not, when he spoke, hit back with his accustomed vigour: no stranger in the gallery on that day would have imagined that his ascendancy



over the House of Commons was usually unquestioned. Of all the attacks which his audacious assailant made upon him, this made the deepest mark upon his prestige and upon his sensibilities.

Mr. Lloyd George's indictment, if it did not rouse its object to any violent reprisals, led at least to an important declaration. A policy of widely distributed taxation can only succeed if it is accompanied step by step by a policy of widely distributed inducements. Mr. Chamberlain was not slow to grasp this fact, and he held out on this memorable afternoon the strongest inducement which the apostle of a tariff gospel could offer. One thing, he said, was certain—that the adoption of the scheme proposed would involve the Treasury in a very large charge, probably amounting to many millions. Before a Government could consider a scheme of that kind, it must know where it was going to get the funds. For that purpose there would, no doubt, have to be that review of our fiscal system which he had indicated as being necessary and desirable at an early date.

This hint was sufficient to produce a general impression that the policy of Tariff Reform was to be presented to the working men of the country as the only road to the concession of Old Age Pensions. To a working man who addressed him on the subject, Mr. Chamberlain wrote a reply which left his intentions in little doubt: "As regards old age pensions I would not myself look at the matter unless I felt able to promise that a very large scheme for the provision of such pensions to all who have been thrifty and well conducted would be assured by a revision of our system of import duties."

It was the beginning of a war between two policies. In April Mr. Lloyd George had found in the land monopoly the chief source of evils in the commonwealth, and had declared it to be the first duty of Liberalism upon its return to power to teach the monopolists their duty of providing for the broken soldier of industry. Now, in May, Mr. Chamberlain "felt able to promise" assistance to the aged workman at the price of a tax upon his and his children's food.

It was a tempting offer, and Mr. Lloyd George, who had in the debate expressed his own view that working men would acquiesce in increased taxation if they knew its object to be the concession of old age pensions, was not likely to undervalue its appeal. In the fiscal debate which Sir Charles Dilke raised on the motion for the adjournment at Whitsun (May 29) Mr. Lloyd George returned to the subject. Was this, he asked, a practical policy which the Prime Minister was going to submit to the country?

The first time the matter was directly mentioned in the House of Commons was by the Colonial Secretary on Friday last. He said old age pensions were not dead. They were going to be dealt with. The right hon. gentleman shakes his head.

*Mr. Chamberlain* : I only shake my head in protest against the continual and most improper action of the honourable member in invariably misquoting his opponents.

*Mr. Lloyd George* : I refer the matter to the recollection of the House. Our contention was that the matter was not intended to be dealt with. Up jumped the Colonial Secretary and said, " Yes, it is. It is not a dead matter : it is going to be dealt with, and not only that, it is going to be dealt with by fiscal reform in this country."

*Mr. Chamberlain* : I did not say what the hon. gentleman says I did. What I said was that it could not be dealt with without a review of our fiscal policy.

*Mr. Lloyd George* : I gladly recognise that there is a distinction. On Friday we understood that there was a pledge to deal with old age pensions : now I understand that there is no pledge to deal with it at all.

Anxious as Mr. Chamberlain was to avoid pledging the Government, he had no intention of throwing away the bait. " I should consider," he said, when he spoke a little later, " that any Government which imposed these duties would have a very large sum at their disposal which they ought and which they must apply to social reform. That led me to say the other day, when I was unexpectedly speaking on the subject, that old age pensions or anything else which cost large sums of money, which have hitherto seemed to be out of reach of immediate practical politics, would become practical if this policy were carried out. That is another argument which honourable gentlemen opposite will have to meet."

Meanwhile, on May 23, Mr. Lloyd George had devoted a speech at the dinner of the Cambridge University Liberal Club to the question of Imperial Preference. It was not a tempting theme for an after-dinner speech, but he showed, as he had done nearly twenty years before, that he could make " a very dry and difficult subject very clear, instructive, and entertaining."<sup>1</sup> He first put the economic arguments which, hackneyed as they were to become, were in danger of being forgotten until Mr. Chamberlain sent a generation which knew not Cobden back to first principles. He dealt next with the danger of corruption if trade were once artificially fostered ; and passed finally to an argument which he always put high among the grounds of opposition to the proposed fiscal changes. This was the contention

<sup>1</sup> Vol. I., p. 47.



that Great Britain's free trade policy was a great safeguard of the peace of the world—a theme upon which he was to enlarge in many of his speeches.

These were days of swift improvisation of economic doctrines on the part of the Cabinet. Before Mr. Lloyd George spoke at Hanley on June 18, with Lord Crewe in the chair, exigencies as troublesome as ever vexed a Prime Minister had led Mr. Balfour to formulate, in vague terms, his policy of Retaliation, and to announce a Ministerial policy of "inquiry." But, as Mr. Lloyd George put it, "While the Cabinet were doubting, Mr. Chamberlain was touting." The Chancellor of the Exchequer and his predecessor Sir Michael Hicks-Beach had declared their hostility to the proposals of their colleague. But the Cabinet still went on. "It is like a worm : you break it in two—both ends wriggle." "I am not a betting man myself," he added, "but if I were I would venture to put my money on Mr. Chamberlain converting the Tory party."

It would be an unprofitable task to trace except in bare outline the autumn manœuvres of the Tory leaders. Mr. Lloyd George gave in July a forecast of the Cabinet's deliberations which was not an unfair criticism of their impossible position.

They mean to confer in the autumn. The usual Cabinet Council is held in Downing Street ; but there is a new method to be pursued. Mr. Balfour is Prime Minister, leader of the Cabinet, the man who presides over its deliberations. He will open the conference, so he will go to Sheffield to address his colleagues. He will then call upon Mr. Chamberlain to explain his principles. Mr. Chamberlain will go to Newcastle to do so. Then the conference will proceed, and somebody will be called upon to present the Free Trade view of the Cabinet ; and so Mr. Ritchie will go to Croydon. Then there must be an answer in this Cabinet Council to Mr. Ritchie, so Mr. Chamberlain will take the train to Glasgow and answer him there. . . . Men with ordinary notions, simply having regard to precedents and appearances, will consider this a great campaign and counter-campaign. Not at all. It will simply be a Cabinet Council. I don't believe there has been anything like it since the days when the leaders of the people ascended different mountains for the purpose of delivering curses and blessings. Mr. Chamberlain on Mount Ebal will curse Free Trade, and Mr. Ritchie, on Mount Gerizim, will bless it.

On September 14 and 15 the Cabinet held long sittings. It was known that they were engaged upon a consideration of the fiscal question. On the 16th Mr. Balfour's "Economic Notes on Insular Free Trade" appeared upon the bookstalls.

It would be unfair to say of this lucid production that it was not understood, but it was understood in different and contra-



dictory senses. Perhaps, after all, the style of a philosopher may be at once lucid and opaque. At any rate, the pamphlet convinced some that the Prime Minister remained at heart a Free Trader, others that he was ready to embrace Protection. By this time the domain of politics had become a Wonderland, and it assorted well with the general bewilderment when, on the 18th, the announcement was made that Mr. Chamberlain, and with him two Free Trade Ministers, Mr. Ritchie and Lord George Hamilton, had resigned. Every one now remembers the explanation. Mr. Ritchie and Lord George Hamilton had resigned because their minds, incapable of the finer distinctions in which Mr. Balfour delighted, had seen in the Colonial Secretary's programme a menace to the economic policy in which they believed. It had not occurred to the Prime Minister to mention to these two Free Traders that he had the resignation of the Colonial Secretary in his pocket.

Mr. Lloyd George, who had been taking a short holiday on the Continent, gave his views upon the "crisis" to an interviewer. He had not the faintest doubt that the Prime Minister and Mr. Chamberlain were working in absolute accord for the same ends. As far as Mr. Balfour was concerned, Mr. Chamberlain had won. He had left the Cabinet because if he had not done so he would have precipitated an immediate dissolution, and he thought time was in his favour. "He is a man of sanguine temperament and thinks he can convert the people of this country if he is only given time." He was calculating upon the advantage which a period of bad trade would give him when it came—as it inevitably must come as a result of his own war policy. Then, as he hoped, people would be ready to plunge into any change that offered some prospect of better employment.

There followed a prophecy, very accurate except in one particular, of the course which the Government would steer :

In the agricultural districts their candidates will be Chamberlainites in favour of taxing corn and foreign cattle. In the industrial districts their candidates will be Balfourites in favour of taxing that with which the industry of the particular district is associated. In districts depending upon shipping and foreign trade the candidates will be Unionist Free Traders, who will follow the Duke of Devonshire. Yet all will be supporters of the Government. It is one of the most dishonest things I have ever known. Still they are going to be beaten. Nothing can save them. The last General Election induced them to believe that people are bigger fools than they really are. But they are making a mistake.<sup>1</sup>

<sup>1</sup> "South Wales Daily News," September 21, 1903.

"The Duke of Devonshire," Mr. Lloyd George said, "is evidently more complacent than either Mr. Ritchie or Lord George Hamilton." But at the beginning of October, after Mr. Balfour's promised exposition at Sheffield of the views of the Government, the Duke resigned. Only extreme partisans can have felt that he was adequately replaced by the Marquess of Londonderry. Mr. Chamberlain was succeeded by Mr. Alfred Lyttelton, and the son of the retiring Colonial Secretary succeeded Mr. Ritchie at the Exchequer. Mr. Lloyd George's comment upon the changed composition of the Cabinet was that the Government hulk had been fitted up with jury masts. Mr. Joseph Chamberlain, "with that instinct which belonged to his type," saw that the ship was sinking and left her, but he had left his son—the modern Casabianca—upon the burning deck. The son was there bravely sinking with the ship in obedience to his father's orders.<sup>1</sup>

On October 6 Mr. Chamberlain began his campaign in earnest with a great meeting at Glasgow.

He appealed there to the workmen of the land, and there were very fine specimens of the British workman on the platform. There were three dukes, two marquesses, three or four earls, as many lords as there are ministerial resignations. They had gone to help the workman to tax his own bread. The Corn Laws meant high rents for them, and when a statesman of Mr. Chamberlain's position comes forward and proposes a return to the old Corn Law days, lords and dukes and earls and squires and baronets all come running clucking towards him like a flock of fowls when they hear the corn shaken in the bin."<sup>2</sup>

By the beginning of 1904 Mr. Chamberlain's policy was already dominant in the Conservative party, although the Ministry was nominally pledged against a tax upon food, which Mr. Chamberlain with great if unavoidable frankness had declared to be essential to his scheme. An amendment moved to the Address by Mr. Morley, which drew attention to "the conflicting declarations of Ministers" and condemned "any return to protective duties, more particularly when imposed on the food of the people," brought twenty-seven Ministerialists into the lobby with the Opposition, while nineteen of the Government's supporters were absent unpaired, but although there was this definite fissure in the ranks, the party machine had been captured by the Tariff Reformers. Mr. Lloyd George, in his speech on the amendment, went after his favourite manner to contemporary events for a parallel. The war between Russia and Japan supplied him with an apt illustration of the

<sup>1</sup> At Pembroke Dock, October 2, 1903.

<sup>2</sup> Mr. Lloyd George at Oldham, October 10, 1903.





Master Gwilym   Miss Mair   Master Richard   Miss Olwen  
Mrs. Lloyd George   Miss Megan

MRS. D. LLOYD GEORGE AND FAMILY

*(From a photograph kindly lent by Mr. William George.)*





tactics by which this "Free Trade" Government permitted those of its supporters who were ready to compromise between their Free Trade principles and Mr. Balfour's policy of Retaliation to be attacked by the Protectionists without protest. In recent by-elections, he said, Government cruisers that took refuge in Port Arthur had been allowed by the Government, without a declaration of war, to be torpedoed by the Tariff Reform League, probably because they were not in the inner harbour. Mr. Walter Long, President of the Local Government Board, had said he was willing to give every latitude to members on his side of the House. But the latitude was in one direction—that is, in the direction of a preferential tariff—though the policy of the Government was Free Trade. There was no latitude in the other direction—only Long-itude.

Was Mr. Balfour a "progressive Balfourite"? he asked upon the motion for the Easter adjournment (March 29). The phrase had been adopted by a desperate Unionist candidate as a label for his uncertain creed, and it applied with singular felicity to the Prime Minister. His "Notes on Insular Free Trade" were, as we have seen, his first infantile step towards Tariff Reform. He had, according to Lord George Hamilton, presented that pamphlet to the Cabinet in the summer of 1903, together with "another document containing the proposals the Prime Minister wished officially to put forward in the name of the Government. Preferential tariffs and taxation of food were included in that programme." Mr. Balfour denied in the House of Commons on March 7, 1904, that there was any "alternative document" presented to the Cabinet. This hardly amounted to a direct denial of Lord George Hamilton's statement, and Mr. Lloyd George now proceeded to press the Prime Minister further upon the subject. He had, he said, submitted two different itineraries to the Cabinet. "I did not," Mr. Balfour interjected. Mr. Lloyd George's answer was that the statement of Lord George Hamilton that the Prime Minister submitted two policies, which were not alternative, to the Cabinet, remained unchallenged. One was the policy embodied in the pamphlet: the other was a policy which involved the taxation of food. If those policies were not "alternative," then it was clear that there was no difference between Mr. Balfour and Mr. Chamberlain.

The pathetic position of the Ministry is well described in a passage of the speech:

It is only by the greatest difficulty the Government majority is kept together. In the daily press you can hear the crack of the sjambok playing

around the shoulders of the stragglers. Only the common fear of death at the polls keeps them together. When they lag behind the Prime Minister says, "Listen to the howling of the wind outside," and they all flock into the lobby like sheep upon a Welsh mountain-side. Members are warned that they must not linger over coffee and cigars at luncheon. They have to eat their luncheons in future, like the Israelites, with their loins girded. The constituencies, if the Prime Minister would give them the chance, would pretty soon liberate them from the land of bondage.

Three weeks before, a Free Trade resolution had been met by an amendment in studiously Balfourian language which Mr. Wharton, a Balfourite, had put on the paper. Its language had been carefully chosen to entice the Free Trade Unionist and to placate the Tariff Reformer. It invited the House to express approval of "the explicit declarations of his Majesty's Ministers that their policy of fiscal reform does not include either a general system of Protection or preference based on the taxation of food." It was by Mr. Balfour's wish that it had been placed on the paper. The result was not more encouraging to the well-meaning composers of smooth formulas than the disastrous consequences of similar efforts in the Liberal Party during the Boer war. The Protectionist Party, to the number of 110, assembled under Mr. Chaplin's leadership in a committee-room, and proceeded to dictate an ultimatum to Mr. Balfour. He hurriedly surrendered, and the amendment was withdrawn. For this incident Mr. Lloyd George had another illuminative and topical simile :

The other day the Prime Minister tried to escape from the Birmingham compound, but the overseer left in charge discovered him before he had gone very far beyond the fence, and he and his colleagues were brought back by their pig-tails. What has happened to the right hon. member for Ripon [Mr. Wharton], who helped them to escape? He has not been seen or heard of since. He has broken the ordinance and he is a fugitive from justice. The fact is that the Prime Minister is working with forced labour, but there is one part of the ordinance which he and his Government have faithfully kept, and that is the provision that they should do no skilled labour.

It was at the close of this speech that Mr. Winston Churchill, on rising to speak, was met with as stupid a piece of studied insolence as ever spite or folly devised. At his first words Mr. Balfour left the House, and the greater part of the Unionist party faithfully followed him. In a few minutes only a few Unionist Free Traders and one or two other members were left on the Ministerial side. That kind of rebuke to insubordination was



hardly likely to win back a rebellious follower to communion with his party. In October Mr. Winston Churchill stood upon the same platform with Mr. Lloyd George at Carnarvon to advocate Free Trade, at a great meeting at which the Unionist Lord-Lieutenant of the County, Mr. Greaves, took the chair. On that occasion an alliance was cemented between these two heroes of Sir William Harcourt's "cock-fight" which contributed not a little to the interest and even the gaiety of politics. "Like your member," said Mr. Churchill, "I have cultivated, and to some extent acquired, the habit of thinking for myself, of forming my own opinions and expressing them with freedom and, I hope, with candour when they are formed." They were heartily agreed, he said, that an opposition, earnest, untiring and effective, must be offered to the Government from the first day that Parliament assembled "during the next, and, I hope, the last session of this melancholy Parliament." More than that, they were agreed that occasion must be taken to urge reforms, "definite, urgent, and important," which had been too long delayed and were now generally demanded.

I am convinced that the influence, the courage and the energy of your member are absolutely necessary to this object, whether of a constructive or destructive character. After all is said and done, when every tribute has been paid to experience and authority, to wisdom and to weight, to great sagacity and high public position, the fact remains clear and undeniable that Mr. Lloyd George is the best fighting general in the Liberal army.

There was clear indication in this speech that Mr. Lloyd George had not spoken rashly or without knowledge at the beginning of the year,<sup>1</sup> when he had declared in effect that among the Unionist Free Traders who would support the Liberal Party there was a strong element of Radicalism. The enemy whom Mr. Lloyd George had respected was to become a powerful ally: the frequent conversations to which the member for Carnarvon had referred in one of his speeches during the war had brought them at last into a close agreement. For Mr. Churchill declared for a measure of licensing reform which should undo the damage done to the cause of temperance by "the wicked legislation" of the past session, for the reversal of the Taff Vale decision with regard to Trade Unions, for electoral reform, for the equitable rating of urban land, and for a statesmanlike solution of the sectarian problem in education. Some of his remarks on devolution have been

<sup>1</sup> See p. 423 above.

quoted in another connection.<sup>1</sup> "We say," he concluded, speaking in the name of the Liberal party he had now joined, "that we are not afraid of entrusting legislative functions to properly constituted local governments, that we believe our cause has behind it an increasing measure of right and reason, and that we will carry it forward in the teeth of all opposition to ultimate prosperity and triumph."

This new political friendship was a fresh cause of aggravation to the Tory Party, which as it lost in power and prestige did not gain in amiability. A little less than a year later<sup>2</sup> Mr. Alfred Lyttelton, the new Colonial Secretary, gave the world a criticism upon these two "fighting generals" which, coming as it did from a usually courteous opponent, showed the extreme annoyance under which the Protectionists laboured. Since Mr. Churchill had left the Unionist Party, he said, there had been a species of rivalry between him and Mr. Lloyd George as to who could use the strongest personal language about their political opponents. He could only say from the position of an impartial observer that the Englishman had beaten the Welshman hollow.

"There is one thing," Mr. Lloyd George said in the early summer of 1903, "upon which I think we can congratulate ourselves, not merely as Liberals but as Britons, and that is that the day of Mr. Chamberlain's ascendancy in British politics is drawing to its close. And a fitting termination for such a career it is. It ends as it began, with the split of a party."<sup>3</sup> It may be that the historian will not find it safe to endorse that judgment until the last of the faithful in the Conservative Party have discarded the last shreds of Mr. Chamberlain's legacy. In all the bewildering history of the movement for the reversal of our Free Trade policy, "Mr. Chamberlain's ascendancy," not indeed in British politics, but at least in Tory policy, has been obvious and remarkable. His retirement from active life has never lost him his prestige: perhaps it has helped him to retain it. The inspiration of his aggressive spirit dethroned Mr. Balfour: it was his mantle that descended, with crushing force, upon Mr. Bonar Law. A day may come when the ascendancy, not indeed of Mr. Chamberlain, but of Chamberlainism, will be revived. Stranger and more calamitous events have been known. In dealing with "Tariff Reform" we are dealing with a living, though a sickly, organism. It would never have lived but for Mr. Chamberlain, and as its only begetter he must some day be judged.

Whatever the judgment of posterity may be upon the evi-

<sup>1</sup> See Vol. II., p. 385.

<sup>2</sup> July 29, 1905, at Leamington.

<sup>3</sup> At Oxford, June 14, 1903.



dence before it, Mr. Lloyd George's statement was a completely accurate diagnosis of the immediate results of Mr. Chamberlain's dramatic attempt, upon his return from South Africa in 1903, to deflect the political current from its course. The policy of free imports has never been in such danger as it was during the first few months of Mr. Chamberlain's campaign. Protection was dead, and its ill fame forgotten. There were plenty of men of both parties who were "Free Traders" without knowing why. These could give no reasons for the faith that was in them. Indeed, their adherence to the economic system of the country hardly rose to the level of an article of faith: it was little more than a vague and insecure prejudice. The "missionary of Empire" could not have desired more receptive subjects for conversion. And the gospel he preached had much in it that was attractive. He failed, it is true, to take the tide of Imperialism at the flood. But although he could no longer rely on that enthusiasm which had treated appeals to reason as insulting, he could be sure of a response to the alluring offers he held out of revived trade and higher wages, and of a warm welcome to a policy which was to make the foreigner pay a substantial part of our taxes. Could he but succeed in overwhelming his adversaries' pedantic insistence upon statistical accuracy and their reliance on the dull science of economics by an oratorical appeal to great passions and small meannesses, there was good reason to hope that the English people might snatch at the proffered reward before they had time to learn what it was that they were giving up.

Mr. Lloyd George was not the least effective of the Liberal orators who pursued Mr. Chamberlain with relentless assiduity throughout the land. The fiscal campaign was not, one might have thought, peculiarly fitted to his temperament. The man of all others on the Liberal side for whom the Chamberlain policy seemed to have been sent by Providence was Mr. Asquith, who projected upon the fallacies of Tariff Reform a dry light which made it look peculiarly foolish. But Mr. Lloyd George, though his speeches on the subject are not, like Mr. Asquith's, models of condensed and deadly analysis, showed none the less a mastery of the statistical and scientific case for free trade, to which they added not unserviceable embellishments of rhetoric. No one, at any rate, had a greater mastery of the weapon of ridicule, and it would have been difficult to think of an accomplishment more useful in such a campaign. He was always ready with a vivid simile, a biting phrase, or an illuminating parable. "Mr. Balfour," he said at the Oxford Union, "is hatching Mr. Chamber-

lain's scheme for him—he is sitting on a cuckoo's egg, honestly believing it to be his own.”<sup>1</sup> Not less aptly he applied the language of the fiscal controversy to the divisions in the Unionist Party as seen by Mr. Chamberlain. The faithful followers of Mr. Chamberlain were “the finished article.” Mr. Balfour's disciples were “partly manufactured goods.” Next came the great mass of the Party, with no views of their own at all—the “raw material.” As for the Free Trade Unionists, they were “foreign goods,” and Mr. Chamberlain wanted to exclude them.<sup>2</sup>

“Everything is going,” he exclaimed at the beginning of 1905, in parody of Mr. Chamberlain's famous jeremiad—“the Empire is going—so are iron, and steel, and cotton, and pearl buttons. Everything is going—except the Government, and that won't go.”

The whimsical turn of events enabled him to return in kind some of the criticisms which belonged to the period of the Boer war. “I cannot stand these people who are always running down their own country,” he said at Oldham, alluding to Mr. Chamberlain's lamentations over our “dying industries.” “Who are the little Englanders now?” some one in the audience shouted.

I will tell you by and by. It is my turn now! I never said England was going to the dogs. I never said Germany would beat her in her trade and manufactures. I never said America would whip us out of the markets of the world. On the contrary I am here to say we will beat them all.

Quite apart from this sort of jesting *tu quoque*, the Tariff controversy showed that the great achievements of the British race appealed in no less degree to this champion of small nations than to the statesman who had seen upon the veldt visions of Imperial greatness founded upon a new decree that all the world should be taxed. Mr. Lloyd George's conception of Free Trade was in some respects very far in advance of that of the Manchester School. He did not, indeed, regard it, in Lord Rosebery's phrase, as “part of the Sermon on the Mount.”<sup>3</sup> But he saw in it the greatest step that had ever been taken towards the realisation of the ideals of that utterance, and he gloried in the part which the British Empire had played in keeping the world's peace. The passage which I quote embodies sentiments which appear, in one form or another, in almost every speech he made upon the subject. He was not blind, as we have seen, to the evil side of Imperialism—the greed, the jealousies, the self-righteousness it engenders. He was fighting, now as during the Boer war, not against it, but for its better self. Why, he asked his audiences,

<sup>1</sup> November 27, 1903.

<sup>2</sup> October 13, 1904.

<sup>3</sup> September 28, 1903.



when there was a fierce anger in the hearts of the people of Europe against England during the war, had no European combination attacked us ?

One reason is that our markets are open to all quarters of the globe, and the traders of the world feel that they would rather deal with a country that has open markets than see it divided between those plunderers who would close the doors the moment they got into it. We have extended our Empire decade by decade until there has never been an Empire like it. No one has stopped us—not that they did not envy us, not that they did not wish to possess these fair countries themselves, but because they knew they would not be excluded as traders the moment we got them.

We are spending forty millions a year more now than we did four years ago on the weapons of human slaughter, and every country in the world is increasing its armaments. Three or four hundred millions a year are being spent in Europe on these terrible machines of murder, and we seem to be on the point of flying at each other's throats. Argument has failed to break down this mad competition in armaments. We cannot get these men to meet at the same altar, and the world is divided into its Protestants, its Roman Catholics, its Greek Church, its Mahomedans, its Buddhists and its followers of Confucius. There is one thing that will help. Get them to meet in the market place. They may come to the same mart, and men who have met each other in honest trade respect and honour each other. It is the next approach to friendship. With an open door to the trade of all the world we shall gradually help to break down the terrible system which is crushing industry in Europe. I am a hopeful man, and I feel that the time will come when, in spite of the armaments, the swords will be beaten into ploughshares and the spears into pruning-hooks, and there will be no more war. When that time comes the name of Britain will be blessed as the country which, in spite of all the inducements of false statesmen, stood up against the world for a free mart for all.<sup>1</sup>

Such passages showed that he could preach Imperialism quite as efficiently as Mr. Chamberlain and his Imperialism had a truer ring.

## II

South African affairs—Mr. Lloyd George on the Chinese Labour ordinance—His attitude towards Lord Milner—The War Office—A skirmish against Mr. Brodrick.

While the fiscal controversy made havoc of Tory hopes of a return to power, the Government was not more fortunate in its administration of the conquered territories of South Africa. Stern critics of the policy of the war, to say nothing of its con-

<sup>1</sup> Deganwy, September 28, 1903.

duct, could, as Mr. Lloyd George's example shows, make out a strong case against its morality and sanity. But it will not be denied that it had appealed to the imagination of many honourable idealists as a true crusade for liberty. Many Englishmen esteem so highly the Christian principles which animate our rule throughout the world that they are not to be deterred by any craven fear of bloodshed or of an expenditure which, even considered as an investment, will probably be well repaid, from imposing those principles upon races who may be sinning against the light. Lord Milner, who dominated the Government at home, adopted a policy which, whether right or wrong, was of little comfort to this idealistic school. As for Mr. Chamberlain, there were, as Mr. Lloyd George pointed out, more advantages in his resignation than the mere fact that it left him free to convert the country to his economic doctrines.

The right hon. gentleman resigned from the Cabinet because he disagreed with those who left it and agreed with those who remained. That hardly accounts for all that happened. The right hon. gentleman would have had to explain away all his predictions, and probably he thought it better not to attempt it.<sup>1</sup>

The road to ruin in South Africa, he said, was paved with miscalculations. In his speeches in the House of Commons on South African affairs<sup>2</sup> Mr. Lloyd George recalled the "very glowing prospectus" which Mr. Chamberlain had issued at the termination of the war. The wilderness, according to the promise of the Colonial Secretary, would blossom like the rose. Mr. Chamberlain had been very contemptuous of the predictions of the opponents of the war. "I cannot but recall"—he had said in a remarkably self-righteous sentence, "though I am not inclined to dwell upon them—the predictions which have been made by those who have been opposed to our policy with regard to the financial results." He had spoken too soon. Mr. Lloyd George claimed that some apology was due to Mr. Chamberlain's critics for that sentence, since events had shown the predictions of the Liberal party to be quite correct, and those of Mr. Chamberlain to be altogether wrong. Mr. Chamberlain had gone out to South Africa, and his solitary achievement was to obtain from the magnates of Johannesburg a promise that they would provide £30,000,000 towards the expenditure upon the war—about one-eighth of its cost. This was the condition upon which the

<sup>1</sup> House of Commons, March 24, 1904.

<sup>2</sup> See especially the debates of March 24 and July 21, 1904.



English public were asked to guarantee a loan of £35,000,000. When the time came for the mining magnates to fulfil their pledge, Lord Milner pleaded that an interval must be permitted for the recovery of the industry from the depression caused by the war, and that only the importation of Chinese indentured labourers could bring back prosperity to the Transvaal. Mr. Lyttelton allowed himself to be persuaded, and the Tory party was drawn, not quite without reluctance, into acceptance of the Chinese labour policy. In many cases perhaps the policy was not less distasteful to them than it was to the non-party voter. They swallowed it in the good cause of party unity, and, after such a sacrifice, it was perhaps not surprising that they should give themselves the airs of martyrs when their opponents did not consent to pass over the objectionable topic in decent silence.

Mr. Chamberlain, although he had no responsibility for the policy, and had indeed strongly protested against its adoption during his tenure of office, was in the end chivalrous enough to take his stand by Mr. Lyttelton's side. In Mr. Lloyd George's phrase, he "nailed the yellow flag to the mast of protection." But it was upon Lord Milner that the weight of Mr. Lloyd George's onslaught now fell. He had "miscalculated the temper of the Boers at the start, the probable duration of the war, the financial outlook, and the land settlement prospects." His administration was more costly than that of "the corrupt Kruger government." £1,500,000 of the £3,000,000 voted for the restoration of the devastated country had gone in the expenses of administration: a fact which indicated "either stupidity or spoliation." What impression would that make upon the minds of the Dutch settlers, to whom the country had been left by our failure to settle our own countrymen on the Transvaal? For the Chinese Labour ordinance implied such a failure. We had no surplus agricultural labour to send out: the next best thing would have been to send out miners. But the Government had deliberately declared that no British miners need apply. Mr. Lloyd George saw the motive for this reluctance to employ white labour in a fear of trade unionism and a desire for cheap labour. He condemned it also as an affront to the Boers, who had shown their disgust at the proposal. By the Chinese labour ordinance and by a total failure to understand the Boer point of view, our new fellow-subjects, he thought, were being alienated, when a wise statesmanship would have sought to win their confidence and their affection. He gave an instance in the House of Commons of "one of those silly, stupid little blunders which hurt a small nation." Lord Milner in a dispatch had deliberately referred to General Botha

as "ex-General" Botha and "Mr." Botha. He did not deny, he said, that Lord Milner was honest and sincere and had great capacity, but he had also a great capacity for making blunders and miscalculations.

The star of Imperialism was waning, but there were still many in the House of Commons to whom such language used of Lord Milner seemed to be directed at the very foundations of Empire. Colonel Kenyon-Slaney was incensed to the point of using unparliamentary language, though the term "disgraceful" which he was ordered to withdraw may have seemed to him a mild epithet for so irreverent an attack. And yet, as Mr. Lloyd George pointed out, Lord Milner could hardly complain if he were severely criticised. He did not shrink from using strong language about those who differed from him, and he seemed almost to invite censure by the arrogant phrase, difficult of excuse even by his friends, in which, speaking upon the subject of Chinese labour, he declared himself to care nothing for the opinions of people six or seven thousand miles away. Lord Milner represented forces and ideas not less repugnant to Mr. Lloyd George, not less in conflict with his ideals, than those for which Mr. Chamberlain stood. In Mr. Chamberlain he saw a political pervert, a man who had kept enough of his old democratic ideals to make him a dangerous demagogue now that the grandiose ambitions of an overweening Imperialism had overlain, without wholly stifling, his zeal for social reform. *Corruptio optimi pessima*, no doubt, and yet one feels that Mr. Lloyd George had more affection to the end for the Radical who had strayed so far than for the bureaucrat who had never pretended to trust the people. Lord Milner, to do him justice, never came under the suspicion of being a demagogue, but his hard intolerance of nationalist feeling, his belief in the saving power of an inflexible paternal despotism and his intolerance of all unwillingness to come beneath its sway, were more hateful even than Mr. Chamberlain's vulgar jingoism to a man who regarded Imperialism without nationalism as a dead organism and nationalism as the very soul of Empire.

In his speeches upon South African affairs the conflict is too vital and earnest to allow play to his wit. Where issues less profound were raised he was very apt to make a swiftly improvised incursion into the debate armed with the light but not less deadly weapon of his ridicule. One such instance may suffice. On this occasion the objective was the War Office, and it was the fate of Mr. St. John Brodrick, a Minister never remarkable for a sense of humour, to suffer under his attacks. The occasion was a debate on



the operations in Somaliland against the Mullah, in which the British arms did not appear to the unofficial mind to have been signally successful. They were, in fact, in retreat, pursued by the enemy. The expedition had been in the hands first of the Foreign Office, and afterwards of the War Office, and Lord Cranborne and Mr. Brodrick had to make the best explanation they could in the House of Commons. Mr. Brodrick's method was to claim that, if the matter was properly understood, the expedition had been entirely successful. "We have accomplished our object," was the refrain of his speech. We had "driven" the Mullah—the "mad" Mullah, as he was called—out of his stronghold at Mudug, and "dealt him a very heavy blow." In fact, the War Office and its representative in the House of Commons were filled with gratification at the success of a campaign which an unthinking nation had been lamenting as a failure.

The self-satisfaction of this apologia provoked Mr. Lloyd George to a short unprepared speech which is a good example of his effective sarcasm. He soon set the whole House laughing: it may, indeed, be confessed that in those days it was not a very difficult matter to make even Tories laugh at the War Office. Here was a Mullah supposed to be "mad," he said. It would really be interesting to have the Mullah's opinion of the Foreign Office and the War Office. The Mullah, as was well known, had left Mudug in order to pursue the British force. "We have accomplished our object," said Mr. Brodrick, in getting him out of Mudug. After each expedition the Government had sent out, the forces and prestige of the Mullah had increased enormously, till now his followers numbered tens of thousands. "We have accomplished our object." It was just the sort of entertainment which the House of Commons loves: there was hardly a member of the House, even on the Treasury Bench, who did not join in the merriment, with the exception of Mr. Brodrick himself.

### III

The Licensing Bill—Mr. Lloyd George aims at a compromise—His second-reading speech—  
An appeal to Mr. Balfour.

Next to the Education Act, the chief contribution which the Parliament of 1900 made to the statute-book was the Licensing Act of 1904. It is hardly possible to look back upon the controversies which raged round both those measures without feeling that in each case the man who deserved best of his country was

the man who was ready for a compromise. Unfortunately the Government was scarcely a free agent in respect of either problem. In each case it was chained to an irreducible minimum : upon the question of religious education to the irreducible minimum of the Bishops, upon the question of licensing to the irreducible minimum of the brewers. It was not free to make a bargain. It was notorious that journals which represented the interests of the licensed victuallers, and prominent members of "the trade" had declared that if the Government forgot their interests they would turn them out of office.

Mr. Lloyd George quoted during the debates<sup>1</sup> the words of a prominent trade leader who had said, with a naïve confidence, that he did not think the Government would go against "the trade"—because "we put them in power, and if they treat us properly we will keep them there, but if they don't we will chuck them out." The Government, he said, was "standing a drink to the chuckers-out," and begging not to be put out "in such weather as this."

In 1903 Mr. Balfour had gone so far as to express to a deputation of members of "the trade" a censure upon the magistrates who, exercising the discretion allowed them by the law, had declined to renew licenses on the ground of redundancy. In the House of Commons Mr. Lloyd George told the Prime Minister that if he had been treated like Irish members, who were imprisoned for attacking magistrates, he would now be doing three months.<sup>2</sup>

But in the discussions of the 1904 Bill, hotly as he opposed its principle and its provisions, he showed himself anxious to arrive at an agreement. He did not admit that the brewer had any right to compensation. He saw that if once such a right were established the road to any kind of temperance legislation would be effectively blocked. "It would set up a barrier and an obstacle against every possible scheme that has been suggested—municipalisation, trusts, reduction of licenses, high license duties, the Gothenburg system." But he welcomed cordially the suggestion which came from Sir Edward Carson, the Solicitor-General, on the second reading, that it would be possible during the committee stage of the Bill to introduce a provision which should limit within some defined period the claim of the publican and the brewer to be compensated. Sir Edward Carson's willingness for compromise was not, as it turned out, shared by the Cabinet, and it would indeed have cost them much of the powerful support upon which they relied. When one looks at the debates on licensing, as at the debates on education, and realises that Mr. Lloyd George was regarded in each case as one of the most extreme opponents of

<sup>1</sup> June 7, 1904.

<sup>2</sup> April 8, 1903.



the Government, it is rather saddening to observe how small and insignificant was the gap between those concessions which the Government almost nerved itself to grant and those which he was ready and willing to accept.

If the drink trade came to the House of Commons and said, "We admit we have no legal claim, but we ask you to give equitable consideration to men who earn their living under legal sanction and are now to be deprived of it," he did not believe, he said, that any party would refuse to consider their claim. His objection was to the elevation of an expectation into a "right." With his genius for cogent analogy he contrasted the attitude of the Government towards the licensed trade with that of the Tory Party to tenants of land. What of a tenant who could say, "I have got only an annual lease, but it has been renewed each year during my lifetime and my father's before me"? When Mr. Gladstone, taking into account the condition of Ireland, said that he would convert the Irish tenant's expectation of a renewal of his annual tenancy into a reasonable certainty, the whole Tory Party cried out that to do so would be a confiscation of the landlord's property. Yet the party who denounced the proposal when it was made in the interests of the Irish peasant and of the public were prepared to do the same thing when it was against the public interest and in the interest of a corporation. He would not admit the claim of that corporation to any specially lenient treatment. The publican had a trust committed to him by the State: how had he kept it? The 160,000 annual convictions for drunkenness were so many instances of his broken faith.

But though no speaker held language more scathing in its denunciation of the Bill, no one pleaded more earnestly for a settlement by consent based upon the adoption of a time-limit. The peroration of his second-reading speech was an impressive appeal to Mr. Balfour to emulate Sir Robert Peel in turning a deaf ear to the extremists of his own party and insisting upon making the Bill a measure that might command national approval rather than a sop to a section of his supporters, and so to add "to the lustre of the great renown which he had already won."

#### IV

An interesting prophecy—Mr. Balfour's resignation—The new Cabinet—The Election—Mr. Lloyd George's campaign—The new Parliament.

In the winter of 1905, when the break-up of the Cabinet was expected daily, Mr. Lloyd George made a curiously interesting

prophecy during the contest for the Lord Rectorship of Glasgow University which resulted in Mr. Asquith's election. The history of the next Parliament, he said, would be the greatest in memory, and it would be associated more with the name of Asquith than with that of any living statesman.<sup>1</sup> If we put beside that tribute to the man in whom twelve years before he had seen "the hope of the rising generation of Radicals,"<sup>2</sup> a reference to Lord Rosebery a few days earlier<sup>3</sup> as "the consulting engineer" of the party, whom they would "want at the works when the time came," it is clear that there was no fear by this time that Mr. Lloyd George would feel that he was in uncongenial company in a Cabinet which contained Liberal Imperialists.

His speech at Glasgow was the last he delivered before the dissolution. In November he fell ill, and by his doctor's orders went on a holiday to Italy to rest and regain his strength. He left England with his brother on the 12th, and after visiting Genoa and Florence they settled down at Rapallo. Mr. William George was obliged to return on December 1, and, when he arrived in London on Saturday (December 2) he found the "Times" and "Daily Telegraph" of that day announcing the forthcoming resignation of the Government. He at once sent a telegram to his brother with the news, and Mr. Lloyd George forthwith made up his mind to cut short his much-needed holiday, and come home. On Sunday night (December 3) he was in London. That week the resignation was officially announced, and Sir Henry Campbell-Bannerman set about forming a Ministry. An unsuccessful tactician to the last, Mr. Balfour had chosen to resign rather than dissolve, in order that the position of the Liberals might be weakened by the difficulty which their opponents anticipated would meet the new Prime Minister's efforts to form a Ministry. That anticipation was disappointed. The new Cabinet omitted the name of no foremost Liberal with the exception of Lord Rosebery, who held aloof in not unfriendly isolation. Mr. Lloyd George was offered and accepted the post of President of the Board of Trade. The following were his colleagues :—

|                                      |                                   |
|--------------------------------------|-----------------------------------|
| <i>First Lord of the Treasury</i>    | . SIR HENRY CAMPBELL-BANNERMAN    |
| <i>Lord Chancellor</i>               | . SIR ROBERT REID (LORD LOREBURN) |
| <i>Lord President of the Council</i> | . EARL OF CREWE                   |
| <i>Lord Privy Seal</i>               | . MARQUESS OF RIPON               |
| <i>Chancellor of the Exchequer</i>   | . MR. ASQUITH                     |
| <i>Foreign Secretary</i>             | . SIR EDWARD GREY                 |

<sup>1</sup> Glasgow, November 1, 1905.

<sup>2</sup> See Vol. I., p. 156.

<sup>3</sup> At Kirkcaldy, October 27, 1905.



|   |                       |
|---|-----------------------|
| <i>Colonial Secretary</i> . . .           | EARL OF ELGIN         |
| <i>Secretary for India</i> . . .          | MR. JOHN MORLEY       |
| <i>Home Secretary</i> . . .               | MR. HERBERT GLADSTONE |
| <i>Secretary of War</i> . . .             | MR. HALDANE           |
| <i>First Lord of Admiralty</i> . . .      | LORD TWEEDMOUTH       |
| <i>Secretary for Scotland</i> . . .       | MR. JOHN SINCLAIR     |
| <i>Chancellor of the Duchy</i> . . .      | SIR HENRY FOWLER      |
| <i>President Local Govt. Board</i> . . .  | MR. JOHN BURNS        |
| <i>President Board of Agriculture</i>     | EARL CARRINGTON       |
| <i>President Board of Education</i> . . . | MR. AUGUSTINE BIRRELL |
| <i>Chief Secretary, Ireland</i> . . .     | MR. BRYCE             |

The new President of the Board of Trade had as his opponent in the Carnarvon Boroughs Mr. R. A. Naylor, a gentleman who had been fortunate and able enough to build up a large business as an importer of foreign timber. He now came forward as a staunch opponent of the policy of free imports. He was not regarded as a very serious or formidable opponent in the constituency, to which, until his adoption in 1903, he had been a complete stranger. His supporters, however, proclaimed him to be a patriot and a "fiscal expert," and compared him advantageously with the "pettifogging country lawyer" whom he aspired to defeat.

Mr. Lloyd George at any rate felt sufficiently secure to occupy a great part of the period of the election campaign with an electioneering tour in England. At Leamington he had an experience which, as he said, was "quite like old times." A large hostile element was in the crowd which filled the hall where he was to speak, and these cheered wildly for Mr. Chamberlain, sang the "Soldiers of the Queen" in a deafening chorus, and were very effectively uproarious. He watched them for half an hour and then, without having made any effort to speak, retired to the Liberal Club. There seems to have been no doubt that the larger number of the interrupters were, as Mr. Lloyd George put it, "free imports from Birmingham," and that their action was intended as retaliation for similar treatment which had been accorded elsewhere to Mr. Chamberlain. At the club Mr. Lloyd George addressed his supporters and said that on both sides there had been too much of this sort of disorder. It is clear that it was a very different incident from the passionate outbreaks of the war.

There were some passages in his election speeches to which time has given a significance. One sentence may be thought to have held the germ of his scheme of insurance against unemployment. He would like to see something done, he said, "so that



in times of depression there might be somebody strong, powerful and mighty at the back of the out-of-work man to see that his wife and children did not starve." He would trust John Burns, he added, to look after that.<sup>1</sup> In his own constituency he made an important reference to Old Age Pensions. As to the past he told his constituents that he had seen Mr. Chamberlain's scheme for Old Age Pensions in 1899, and wished to say emphatically that at that time Mr. Chamberlain wanted to carry that Bill through. "I will always say so, for it is my honest belief." But instead of doing that he had spent 250 millions on the war in South Africa. As to the future, he refrained, like all the new Ministers, from giving any pledge that Old Age Pensions would be introduced. It was impossible, he said, to persuade people to face the vast expenditure which they would require, in the existing state of the exchequer. They must first of all put the national finances in order, and then see that every man too old to pursue his avocations should be saved from the humiliation of the workhouse or parish charity.<sup>2</sup>

He looked to a nearer future when he reminded another audience that Free Trade meant, "not favours for the foreigner, but fair play for the Britisher," and promised to bring in a bill which would make it illegal for the foreigner to overload his ship in a British port.

Carnarvon Boroughs polled on Saturday, January 20. The result was "most wonderful and out of all whooping." With 3,221 votes to his credit, Mr. Lloyd George had a majority of 1,224 over Mr. Naylor. Remarkable as was this achievement, it was only of a piece with the amazing riot of Liberal victories which overwhelmed the Tory party.

The most optimistic Liberal who had sat down with pencil and paper to estimate the probable position of parties after the General Election had not dared to hope for more than a slender majority. Nothing less than a gain of 117 seats was needed to obtain for the Liberal party a bare majority of the whole House, but that startling performance was a bagatelle to the feat which was in fact accomplished. The political map of England had taken on a new aspect, and the change was more than a change of party colour. True, the very immensity of the Liberal majority detracted in some degree from its significance: the broad base of the electorate upon which the power of Ministers rested was not everywhere firm, and it was certain that if too advanced a programme were adopted the foundations of that power would crumble, so to say, at the outer edges. But a Ministry so "broad

<sup>1</sup> Croydon, January 5, 1906.

<sup>2</sup> Carnarvon, January 18, 1906.

based upon the people's will " could afford to regard without apprehension a great amount of such erosion, and it was evident that for the first time since Mr. Gladstone's day Liberalism was to have a long lease of power.

Mr. Lloyd George did not exaggerate when he asserted in a speech on the eve of his own polling day that the country was witnessing the coming of a new order, of a quiet but a certain revolution, which, after the manner of revolutions in a constitutional country, would come in without causing disturbance, without doing an injustice to anybody, but redeeming those injustices from which the people suffered. He had been used, he said, to a House of Commons where every fight for fair play was a forlorn hope. Now the forlorn hope would be on the other side. He rejoiced in the great Labour victories, and, above all, in the accession to the House of Commons of a large solid body of Nonconformists. He was going to the new Parliament with higher hopes than ever he had had before.

## CHAPTER II

### I

The new President of the Board of Trade—Popular estimates—His qualifications—The Tory view: a political Jekyll and Hyde—"An Englishman" in the "Daily Mail"—The "demagogue" in office.

THE criticism is often levelled at our party system that it gives the rewards of office rather to the rhetorician than to the man of affairs. Most people felt of the new President of the Board of Trade that it was by his compelling eloquence that he had won his way to office, and it seemed to many a curious irony that he should be rewarded with a post where Celtic fire seemed less to be demanded than the slow caution and the steady plodding which English commerce has cultivated for generations. He had in his favour the business training which a solicitor's practice, even a comparatively small solicitor's practice (and his own had been grievously diminished by the resentment which his espousal of the Boer cause had occasioned) necessarily involves, but very few people thought of him as a solicitor. However, it could hardly be pretended that he was likely to be less capable of directing the commercial affairs of the nation than his immediate predecessor, the Marquess of Salisbury, and there was scarcely any vestige left of the ridicule and unpopularity with which the Tory Imperialists had sought to cover him during the war. His accession to popular favour had been signalled and ratified by the King's expressed wish to meet him at dinner as far back as 1904, and if the sentiments which the average Englishman entertained towards him did not reach the same pitch of affection which inspired his own countrymen, admiration for his courage and fighting qualities was pretty general even among opponents. That those qualities were not incompatible with success in his new office was sufficiently attested by the precedent of Mr. Chamberlain, and it may be that Sir Henry Campbell-Bannerman's



choice indicated his adhesion to the view of those students of personality who saw in the Radical of the eighties the prototype of the new hope of advanced Radicalism. It was at least curious that a new point of resemblance should be added to the two careers by the selection of Mr. Lloyd George for the same post which Mr. Chamberlain had held upon his first admission to the Cabinet.

It would perhaps not be unfair to say that the view which the average commercial man took of Mr. Lloyd George's appointment was that if he was not conspicuously qualified for the position, he was at any rate not seriously disqualified for it. He was an amateur, but then, as he himself pointed out to the Liverpool shipowners, anybody who is sent to the Board of Trade must be an amateur. Even if an expert in shipping were chosen, he had to deal also with railways, tramways, electric lighting, patents, bankruptcy, company law, and no man could be an expert in all these things. It was quite possible to have experience in patents and bankruptcy; it was even possible to have experience in shipping and bankruptcy: but it was quite impossible to be experienced in every one of the manifold duties of the department. At any rate he had been forced to earn his own living, and every man who did that had some knowledge of the general principles upon which business was conducted. He knew the difficulties of success in business.

But that qualification, which he himself modestly put forward, is after all shared by many a worthy man who would be little likely to establish a reputation in the position of a Minister of commerce. In the two years which Mr. Lloyd George spent at the Board of Trade he not only met and overcame grave obstructions to the commercial life of the country, but added to the statute book three important measures, two of which could only have been passed into law by a Minister with a genius for conciliation, a clear mastery of detail, and an unflagging appetite for work. To say that nobody at the time of his appointment suspected his possession of these qualities would be unfair to others besides the shrewd statesman who selected him. As a Parliamentarian he had shown that hard work, if not naturally congenial to him, had at least become by habit a second nature. Statesmen do not spring into being already armed and equipped at every point, and there was a great difference between the young member who had found work on Committee irksome and the man who had cheerfully spent hours of continuous toil upon a dry campaign within the House of Commons against the Education Bill. Those labours counted at least as much with

Sir Henry Campbell-Bannerman as the prominence which his unrivalled successes upon the platform had given him. To his capacity for hard work he added, as we know, and as all men were to learn, a very remarkable facility for diplomacy. Many who came into contact with him in his days as a solicitor know of reconciliations which his persuasive manner brought about between persons and interests which were seemingly irreconcilable. And he had this further quality, that he approached new problems with a singularly unprejudiced and quickly receptive mind. He was, after all, rather the industrious apprentice than the amateur.

An Opposition will almost always single out at least one member of the Government which it opposes for commendation, so that in the bright light of his example the iniquity of his colleagues may appear the blacker. During the first two years of the life of the Government, the worst that his opponents could find to say of the President of the Board of Trade, so far as the conduct of his department went, was that he was a Tariff Reformer in disguise, and even that criticism was intended as a compliment. When we come to examine the legislation upon which this criticism rested we shall see how shallow it was, but protectionists have never been slaves to rigid accuracy in their mental processes, and it was not unnatural that they should overlook the logical fallacy which lurks behind the proposition that because Tariff Reform is intended to assist British commerce in its competition with that of other nations, therefore any measure which in fact renders such assistance betrays its author as a Tariff Reformer.

Outside his department, however, it must be confessed that the industrious apprentice became, from the Tory point of view, a very dangerous and undesirable politician. In office hours he was hard-working, urbane, considerate of every legitimate interest. But when he found time, as he did too often for the peace of mind of the enemy, to leave his non-combatant's duties and step into the fighting line, he wielded deadly weapons of offence with a vigour which their victims thought wholly unbecoming. These two aspects of his career at the outset of his public service may serve as an argument in favour of a system which rests upon the assumption that a man may be at once a forcible fighter for his party and a valuable servant of the State. To some, on the other hand, his polemical exercises will appear as a blemish upon an otherwise fair surface of reputable achievement. Upon either view it says much for his administration at the Board of Trade that in spite of the frequent shocks which the uncompromising Radicalism of his speeches gave to many



men of business, they were as a rule more than content that the commerce of the country should be under his control.

It would not be difficult, however, to support the thesis that he was, during this period, a sort of Jekyll and Hyde in Tory eyes. Thus, in the debates upon the Patents Bill, we find Mr. Bonar Law complaining that, as a critic of the Board of Trade, he laboured under the disadvantage of never finding anything in Mr. Lloyd George's measures which he could criticise, and so was prevented from carrying out the first duty of a member of the Opposition—to oppose. On the other hand, the attacks upon his moral and intellectual qualities, which were to become a commonplace of politics after his succession to the office of Chancellor of the Exchequer, already appear in Tory speeches and articles hardly less prominently than these generous eulogies. One example of the kind of language in which the oratorical extravagance to which he was supposed to be addicted was rebuked may serve to illustrate this fact and, perhaps, to amuse the reader. It is taken from the "Letters of an Englishman," published in the "Daily Mail," and it was provoked by Mr. Lloyd George's speeches upon the House of Lords. If he were permitted, the writer said, this "young David," assailing "the Goliath of the Constitution," and armed only with "the stone of ignorance in the sling of effrontery," would "provoke a superfluous conflict which could only be assuaged by a revolution."

Yet we can almost forgive Mr. Lloyd George when we reflect how constant an embarrassment he must prove to the more respectable of his colleagues. Never was there a finer specimen of the beggar on horseback. He is powerless to control the fiery steed of his provincial eloquence. He is as reckless in Government as he was in Opposition, talking always of things which he does not understand, and declaiming against institutions of which he does not know the history. If we needed another proof that the demagogue is unfit to take part in the administration of the country, here it is ready to our hand.

He had recently declared that he "wished he could say all he thought of the House of Lords":

His inability need cause no regret. What Mr. Lloyd George thinks is unimportant. Indeed, "think" is far too ambitious a word for his purpose. Since he has been at the Board of Trade he has not had time, even if he had the ability to think. The exaltation of office has been too great. Nobody in the country knows less concerning the policy of his Government than Mr. Lloyd George, and, in a facile stream of chatter, knowledge, judgment, and dignity are all submerged. That he will ever enter a Cabinet again is unlikely: and when his political career comes



to a hasty end it will be found that it was the great moment of his life when, disguised in the respectable uniform of a policeman, he fled before the foolish mob which thought it worth while to silence his traitorous speech.

This diatribe, examined in the light of Mr. Lloyd George's prior and subsequent record, no doubt looks excessively violent and not a little foolish. It is worth considering only because it illustrates the intense annoyance which Mr. Lloyd George provoked in the minds of opponents who, in their better moments (or, as they would have it, in his better moments) were fain to bless his active and beneficent administration, and to praise him for his industry and knowledge. It suggests this further comment, that if he had been merely the industrious apprentice, and had never come to blows in fierce encounter with the other party in the State, while he would have escaped the bitter onslaughts of his foes, he would have lost the loyal admiration of his friends. They might have praised him as a capable administrator; they would never have looked up to him as a leader. The most ingenious reconciliation of divergent interests in a Merchant Shipping Act, the wisest amendment of the Law of Patents, the most firm and tactful handling of an industrial crisis, could never by themselves have lifted him out of the ranks of trusted subordinates to a position of high command. It needs more than administrative ability to make a leader of the people, which (as "an Englishman" might have remembered) is, after all, the plain English of the Greek word *demagogue*.

## II

The campaign on the Education Bill—Mr. Lloyd George attacks the House of Lords—At Liverpool (May 24, 1906)—At Llanelly (September 30)—A controversy with Lord Lansdowne—Speeches at Oxford, Spalding, and Gloucester—The Education Bill killed and withdrawn—Introduction of the Prime Minister's resolution on the House of Lords, June 1907.

Mr. Lloyd George told the members of his own profession three years later<sup>1</sup> what his sensations were on escaping from the thickest of the fight to the patient and peaceful labours of the Board of Trade. He felt, he said, exactly like a mariner who had been all his life on stormy seas in a very frail craft, and who had suddenly been appointed to the position of harbour-master: there was a calm peace about it which was very soothing.

Yet he certainly did not become a recluse in his Department.

<sup>1</sup> January 29, 1909, when his portrait was unveiled at the Law Society's Hall. See Vol. IV., pp. 645-648.

His duties as "harbour-master" (to adopt his own metaphor) did not occupy the whole of his time or prevent him from sailing out often enough into the most troubled seas, in the teeth of the fiercest gales. He lost no opportunity of entering, with a vigour which shocked his opponents, and sometimes even startled the more cautious among his friends, into the contests of party warfare, and before we go on to consider his legislative and administrative triumphs at the Board of Trade, it will be as well to glance at his activities in the contests of the day.

Mr. Birrell's Education Bill was introduced in April, and it was soon obvious that it would not come alive out of the House of Lords. Mr. Lloyd George was active in the defence of the Bill, against both Churchmen who considered it unjust to their religion and Nonconformists who believed that it left too many of their grievances unredressed. He was not in love with the famous "clause four" of the Bill, which (in the towns) allowed denominational teaching outside ordinary school hours where the parents of the children desired it. But he accepted it as a necessary compromise, frankly confessed himself a convert, and boldly pressed its acceptance upon Nonconformist audiences. The clause was admittedly designed to meet the grievances of the Roman Catholics in particular, and he pleaded their cause from the standpoint of a tolerant Protestantism. Sometimes his toleration was almost too much for his audience, but Nonconformists were prepared to make very great concessions if Mr. Lloyd George endorsed and approved them. In that direction his tact and diplomacy had full scope, but when he confronted that lion in the path of every liberationist measure, the House of Lords, he used from the first aggressive, not to say provocative, language. It would have been a sad waste of time to endeavour to dissuade the Peers by argument from rallying to the aid of a distressed Church which, to say nothing of its claims upon them as a sacred institution, appealed to them as one vested interest to another.

At Liverpool (May 24) he declared that while he had always regarded the House of Lords as a great menace to progress, he had never felt the fact more keenly than he did now as a responsible Minister. It sat as a skeleton at the Cabinet table. The Government was always obliged to take the views of the Peers into its calculations—as if they really mattered a scrap. The House of Commons, whatever gibes might be cast at it, was a picked assembly. There the sailor who had worked before the mast, the fireman who had worked in the stokehold, sat side by side with the greatest ship-owners. Workmen, professional men, men of business, combined to represent the industry of the



country: the House of Lords represented the idleness of the country. They represented vested interests, they represented privileges, they represented monopolies which were in issue, which were part of the dispute. There were men of great intelligence among them—men, like Lord Rosebery, of supreme genius—but all these together would not make a quorum of the House. What of the others? He was anxious not to disparage them, and so he would say that they were as good men, probably, as you would pick at random in a crowded street. That they should seek to dictate to the Government of the country was an intolerable piece of arrogance, and no Liberal Government could possibly sit down under it.

Mr. Chamberlain himself, in his days at the Board of Trade, had been scarcely more incisive or more menacing. But Mr. Lloyd George's zeal was tempered with a severely practical discretion. He warned Liberals of advanced views against the danger to progress of an obstinate refusal to take anything less than the full measure of the reform they demanded. If the Government, at some time or other, was bold enough to propose a measure for crippling the powers of the House of Lords, they would perhaps hear people saying, "This is tinkering with the question: let us have no Second Chamber at all." Such men would refuse the one thing practicable because they could not obtain the whole measure of the reform which in their hearts they considered to be the ideal.

A speech at Llanelly (September 30) involved him in a controversy with Lord Lansdowne which attracted a great amount of attention. It began with a letter in the "Times" from a "Moderate Liberal" who was much horrified at the ignorance of Government legislation which he asserted that Mr. Lloyd George had displayed. The charge was founded upon a supposed statement that the Justices of the Peace Bill, which altered in a democratic sense the qualifications of magistrates, had yet to be sent up to the House of Lords, whereas it had in fact passed through that Chamber unscathed. The anonymous correspondent quoted in proof of his contention a report of the speech which seemed to convict Mr. Lloyd George of a glaring inaccuracy:

There was also a Bill which abolished the property qualifications for justices of the peace, and provided that the qualification for the Bench of magistrates should not be land, but brains—a most startling proposition to the ideas of the old Tory, and that was why he was calling the Government revolutionary. . . . What would happen to all the Bills he had mentioned when they went up to the superior Chamber? He thought we were on the eve of a little conflict with the House of Lords,



From one end of the country to another Conservative papers hastened to offer solemn rebukes to a Cabinet Minister who had been found out in a mistake so careless or a piece of deception so gross. These reprimands did not cease, although on the next day Mr. Lloyd George wrote to the "Times" to point out that by omitting a sentence in which he had referred to the Merchant Shipping Bill, and by the simple expedient of substituting for the word "some" the word "all," "Moderate Liberal" had succeeded in supporting a really baseless charge. In fact, according to the "Times" report, Mr. Lloyd George had said that the Government had to send "some" of those Bills which he had mentioned to the House of Lords, and among these he had mentioned in particular the Trades Disputes Bill and the Education Bill, and not the Justices of the Peace Bill.

"I do not expect him," Mr. Lloyd George wrote, "to offer me an apology; a writer who can make an unfounded and malicious accusation of this sort under the shelter of anonymity, and who can support it by deliberately garbling reports, is not likely to possess sufficient decency to express regret. If this is the type of Liberal 'who is being driven into the opposite camp,' I congratulate myself on having rendered no small service to the party by ridding it of the presence of a person whose controversial methods would bring discredit upon any British party."

Two days later Lord Lansdowne found, in the crystallisation of the new qualifications for Justices in the phrase "not land but brains," congenial opportunity for banter. The President of the Board of Trade, in his attack upon their lordships' House, had promised his hearers, in a metaphor which appealed to their sporting proclivities, that they would see "a great game of football before long." Lord Lansdowne, more in sorrow than in anger, declared that he would be quite ready to forgive the lack of manners shown in orations of that kind, but could not pardon the utter inaccuracy of the premises upon which the conclusions were founded. The Justices of the Peace Bill contained "no reference at all to a qualification of brains." What some of Lord Lansdowne's friends were uncharitable enough to suspect was that behind the Bill there might lie a perhaps not remote idea of seeing to it that some of the Justices of the Peace had as a qualification a proper amount of Radical opinions. That was not necessarily the same thing as a brains qualification. So far Lord Lansdowne's criticism, if not very profound, was fair enough. But he went on to accept the statement of facts made by a "Moderate Liberal" and to scold Mr. Lloyd George for having included in his list of Bills which had yet to go to the

House of Lords one which had already met with the support and general goodwill of that assembly. Mr. Lloyd George promptly replied in the columns of the "Times."<sup>1</sup> Lord Lansdowne's speech, he said, proved why it was so difficult to overtake a lie. An anonymous correspondent had stated that he had at Llanelly classed the Justices' Qualification Bill amongst the measures which had to be sent up to the House of Lords, and had supported his charge by "deliberately garbling" an extract from the Llanelly speech. Mr. Lloyd George had given the quotation in full from the "Times" report. This had shown clearly that he had only alluded to two Bills as awaiting treatment by the Lords, the Trades Disputes Bill and the Education Bill.

Lord Lansdowne evidently read the letter of the anonymous garbler. He did not think it worth while reading either my correction or the speech on which he comments. Perhaps he will not read this letter. I will see, at any rate, that it is brought to his attention.

The Unionist Press have given wide publicity to his personal attack. How many of them will reproduce even the purport of this reply? Quite a considerable number of Unionist papers seized on "Moderate Liberal's" letter to found homilies on my general inaccuracy. Their sense of fair play and of journalistic propriety did not prompt them to pay any heed to my correction. The falsehood interested and pleased them; the truth does neither, and is bad copy. That is why lies can never be overtaken. I have never tried to catch one up before. Now I am more convinced than ever that to attempt it is to sweat in vain, for the fleet fiction and the pursuing fact travel by divergent roads to different destinations. Moreover, the untruth has always innumerable willing hands to help it along the road.

There was another letter from Lord Lansdowne and a final reply from Mr. Lloyd George before the correspondence came to a conclusion which left neither party repentant.<sup>2</sup> Lord Lansdowne thought he had not used language unwarranted by the facts: Mr. Lloyd George expressed his surprise that a politician of Lord Lansdowne's known reputation for fairness in controversy should have made the same misleading omission as the gentleman who concealed his identity under the pseudonym of "Moderate Liberal." This anonymous critic also sought to defend himself and was dealt a resounding blow in return. He was told that he "still skulked in the shadow of anonymity, and had neither sufficient courage to write under his own name nor good feeling enough to apologise for the inaccuracy of his first letter." Just such epistles, some commentator observed, as might have come

<sup>1</sup> October 8, 1906.

<sup>2</sup> "Times," October 12 and 13, 1906.



from the same address when Joseph Chamberlain presided over the Board of Trade.

At Oxford in December Mr. Lloyd George was again the guest of the Palmerston Club, and the House of Lords was once more the object of his attack. It was intolerable, he said, that every petition that went from the people to their Sovereign should be waylaid and mutilated. The poor Education Bill had been stripped, wounded, and left half dead, and the priests and Levites did not even pass it by: they had joined the freebooters. Mr. Balfour had asked why the Government did not dissolve and fight an election on the Bill. What a question to come from such a quarter! Mr. Balfour had introduced an Education Bill without even consulting the country upon it. He had never indicated that he intended introducing an Education Bill. On the contrary, he and Mr. Chamberlain had said that they meant to touch nothing of the kind. Was there a demand for dissolution then from the House of Lords? The time had come, if the House of Lords insisted on maintaining a claim practically to reject legislation which came from the representatives of the people, to consider another great question, and if a dissolution came sooner or later it would be a much larger measure than the Education Bill that would come up for consideration. The election would be fought on the issue whether the country was to be governed by King and Peers or by the King and his people.

Meanwhile the House of Lords had been at work upon the Education Bill, and Mr. Lloyd George found a happier description of their efforts than Lord Lansdowne's word "revision." At Spalding, at the beginning of November, he said that the Peers were engaged in "bowdlerising" the Bill, softening down all improper suggestions about popular control, about the abolition of tests, and cutting out all unpleasant hints as to the power of municipalities, so that it might be made a nice and proper measure to be put into the hands of the clergy without wounding their susceptibilities. The chief editor of the new edition was the Archbishop of Canterbury, who was being very ably assisted by Viscount Halifax and the Duke of Norfolk. They had begun the work of grace: where it would end he did not know, but its ending would probably be far from agreeable to the House of Lords.

The situation, he declared, was intolerable. The Education Bill was one that the House of Commons ought to stand by in every essential particular, and the Plural Voting Bill embodied the same principle of equality before the law.

At Gloucester a month later he again shocked the fine susceptibilities of constitutionalists who regarded attacks upon the



hereditary House as a form of treason. He appealed to the men whose forefathers had stood for representative government against the prerogatives of Kings, to stand against the encroachments of the Peers. They had been at their old trick of defacing the coinage of democracy before it was put into circulation, and they had introduced an unusual quantity of debased metal into the re-minting. The Conservative Press was assuring its readers that the Plural Voting Bill would meet with treatment not less drastic. If it did the Peers would be raising an issue of the first magnitude. A bull in a china shop was much safer as beef than as bull, and a House of Lords which grew infuriated at every display of Liberal colour must be dealt with. Some people would deal with them summarily. For his own part, he would just chain them up and see that they could only do what mischief they chose at the length of their chain.

The House of Lords was "petrified Toryism," and had lost its use. "A voice" in the audience presented him with Mr. Chamberlain's old quotation, "They toil not, neither do they spin." "Not they," he retorted, "but they have got other people to do that for them, and that's the only sign of wisdom that I know of in them."

On December 6 the "bowdlerised" Bill was returned to the House of Commons. On the 10th the Government announced their policy of refusing all the Peers' amendments, without closing the door to a possible compromise. On the 17th Lord Lansdowne protested against the course taken by the Commons, and invited the Government to say how far they were prepared to reconsider their decision. Lord Crewe showed himself quite ready to parley with the enemy, but private conferences failed to produce a settlement, and on December 20 the Bill received decent burial in the House of Lords.

The next step in the campaign was the introduction of the resolution which, according to the plan of the Government, heralded and precluded the legislative attack upon the House of Lords which events as yet unforeseen were to delay. Sir Henry Campbell-Bannerman introduced his resolution on June 24, 1907. Mr. Lloyd George's contribution to the debate (June 20) was bright and vigorous. The phrase in which he ridiculed the claims of the House of Lords to be the watch-dog of the Constitution was long remembered. "A mastiff?" he said. "It is the right hon. gentleman's [Mr. Balfour's] poodle. It fetches and carries for him. It barks for him. It bites anybody that he sets it on to." In another spirited passage he contrasted the Tory demand for checks upon legislation with

its acquiescence in unfettered administration. If a Ministry wanted to ruin the country, he said, there was an easy way of compassing their end without having to await the approval of the House of Lords. The last Government had spent £250,000,000 upon a war without the slightest check, without the necessity even of a debate in the House of Commons. Mr. Lyttelton, looking across at the bench on which sat two former Vice-Presidents of the Liberal League, interjected the obvious comment that the last Government had had the approval of some of the speaker's colleagues in its policy. Mr. Lloyd George retorted that those colleagues had perhaps been misled by false statements as to the facts. The word "false" always draws forth protests in the House of Commons, and on this occasion there was the usual brief storm, and the usual ruling from the Chair that statements might be called false so long as they had not been made by members of the House. Mr. F. E. Smith followed him and was pleased to commend "a speech which was throughout impressive and in many passages eloquent, and which certainly was in refreshing contrast" to many of Mr. Lloyd George's utterances in the country. He made quite legitimate capital out of the reference to the Liberal Imperialists in the Cabinet. Apparently the President of the Board of Trade had been entrusted by his colleagues with the task of recanting on their behalf the views they had expressed upon the war. What had Sir John Lawson Walton, what had Sir Henry Fowler, both of whom sat by Mr. Lloyd George upon the Treasury Bench, to say about their colleague's suggestion that they had changed their minds? This was a rhetorical question which perhaps required and certainly received no answer.

With the passing of this resolution matters remained for the time stationary, the opposing armies gathering their forces, and Liberals, it must be confessed, finding little encouragement in the political events of the early months of 1908, with which we shall deal in a later chapter.

### III

Events in Wales—The Royal Commission—Murmurings of revolt—Mr. Lloyd George's "guard-room" speech—Mr. Ellis Griffith's criticisms—Mr. Lloyd George called upon to resign—Dr. Robertson Nicoll's comments—A Convention summoned—A dramatic announcement: Mr. Lloyd George to attend the Convention—He attends the executive's meeting—His speech at the Convention—"Be fair—even to your friends"—A triumph of advocacy.

Meanwhile the rejection of the Education Bill by the House of Lords had a curious effect in Wales. It might have been



expected that it would be followed by outbursts of indignant protest, and that on every platform, and perhaps at some specially summoned national convention, war would be declared upon the hereditary House. But the odd thing was that Welsh Nonconformity, finding the Government thwarted in its efforts to redress the grievance created by Mr. Balfour's Education Act, began to give vent to its feelings in mutterings, not so much against the House of Lords, as against the Government, who were supposed to be lukewarm in their enthusiasm for Welsh Disestablishment. Surprising as this attitude seemed to Englishmen, it was not without an explanation. The House of Lords was past praying for or denouncing: in due season battle must be joined with them. Meanwhile the rigours of the Education Act could be mitigated by an administration friendly to Wales. The Government, through Mr. Lloyd George, had at first proposed to establish a separate department of Welsh education, with a responsible Minister in the House of Commons, but had speedily abandoned that proposal in favour of a Welsh National Council, which, it will be remembered, had long been among the aspirations of Welsh Nationalists and had almost come into being even under a Conservative administration.<sup>1</sup> The House of Lords ruthlessly excised the National Council from the Bill. But even the disappointment felt at its disappearance had been mitigated by the announcement that Wales was to have a separate department of her own in the Board of Education. For the moment the warfare over the schools had of necessity dwindled into a "sort of war," an affair of scattered local engagements. Something more heroic was needed to satisfy the aspirations of a nation which had reached the zenith of its parliamentary strength. Heroes of a hundred fights who, in the great victory of 1906, had seen Liberal majorities everywhere increased and the last strongholds of Toryism in Wales stormed and vanquished, had persuaded themselves that religious freedom was already gained and the Establishment as good as ended. Now, a year later, it began seriously to be doubted whether the zeal of the Ministry for Welsh Disestablishment had not already grown cold.

The one step which the Government had taken was not of a kind to allay suspicion. In June 1906, a Commission was appointed, under the presidency of Lord Justice Vaughan Williams, to report upon the existing condition of the Established Church and the Nonconformist bodies in Wales. The proceedings of the Commission had been marked by a deliberation which many

<sup>1</sup> See Vol. II., p. 384.



thought akin to dilatoriness, and the Chairman's refusal to admit historical evidence, which some of the Nonconformist bodies tendered, had given grave offence in many quarters. If the purpose of the Commission had been mere delay, it would have been a not ineffective instrument. Its labours were followed with little interest and with growing impatience by Welshmen, to whom it seemed that a long and unnecessary inquiry, upon a set of facts about which every one had long made up his mind, had been interposed between them and what should have been the prompt reward of an unexampled achievement.

For the first time Wales had sent to the House of Commons a solid body of Liberal and Labour members. Every one of them, of course, was pledged to the policy of Welsh Disestablishment. The leader of Welsh Nationalism held office in the Cabinet. The minds of Welshmen went back to the days when Tom Ellis had taken office, not indeed in the Cabinet, but in the Ministry. But in his time the Liberal Government's hold upon power had been weak and insecure, and if he had failed to press the claims of Wales as insistently as some had hoped, it was remembered in his favour that his opportunities had been restricted, and the times unpropitious. Then, indeed, the majority of Welshmen in the House of Commons, after threats of revolt, had acquiesced in the course the Government had taken. But it was remembered that a gallant band of four had stuck to their guns, and refused to follow their leaders in a manœuvre which they interpreted as a retreat. It could not be denied that their "revolt" had had some measure of success. And their leader, as Welshmen remembered with gratitude, was Mr. Lloyd George.<sup>1</sup> Now the rebel of those days held high office in the Cabinet: was it too much to hope that the cause which a solid phalanx of Welsh members supported would be brought by his powerful advocacy in the council chamber to the summit of its fortunes?

At the first Convention of the Welsh National Liberal Council after the dissolution,<sup>2</sup> the newly appointed President of the Board of Trade declared, from the chair, that the demand for Disestablishment had not slackened in the slightest degree since 1892. There was not even that great resistance to it in the hearts of Churchmen which had then prevailed. The younger men among the clergy felt that their sphere of labour was narrowed, and that they were in a kind of hostile entrenchment in their own country. The great national life was going on outside them, and they had no voice in it. He even hoped that Disestablishment would come almost by a voluntary surrender on the part of the best

<sup>1</sup> See Vol. I., pp. 160-166.

<sup>2</sup> January 2, 1906.

men in the Church itself. In any case it remained an essential part of the Liberal programme, and he gave a pledge on the part of the Prime Minister that it should be dealt with at the earliest possible opportunity. Time and opportunity, however, were questions to be decided later, and to be decided by the Prime Minister and the Cabinet. The audience was quick to seize the allusion in the comment supplied by Mr. Bryn Roberts, who had always been a loyalist in matters of party discipline. "I can promise Mr. Lloyd George," he said, "that if the Government finds it impossible to introduce a Disestablishment Bill, there is no likelihood of my joining a 'revolt.'"

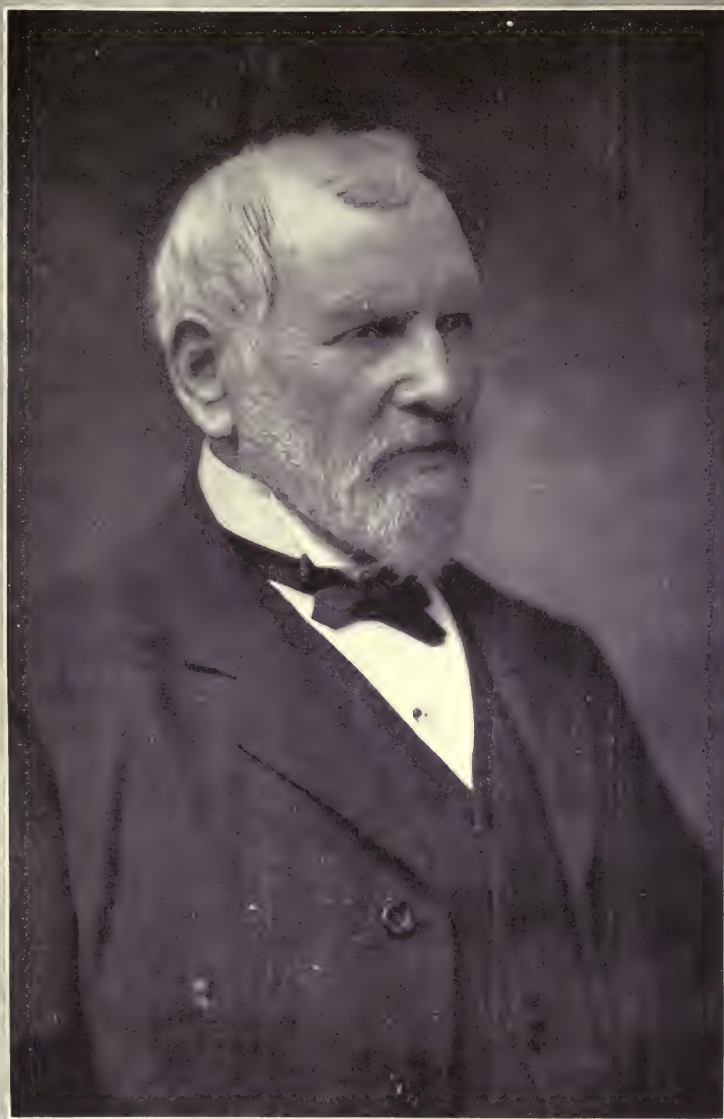
It was not long, however, before other less docile followers became troublesome. The Prime Minister's pledge had been generally interpreted to mean that the Bill would be introduced during the third session of the new Parliament. It seems clear that this had been the intention of the Government, although it does not appear that any such specific pledge had been given. But the whole face of politics was changed when the House of Lords at the end of 1906 joined issue with the House of Commons upon the Education Bill. It became obvious at once that until Liberalism had fought and won a battle for its very existence it would be little use fighting for this or that reform.

On January 17, 1907, Mr. Lloyd George addressed a meeting at Carnarvon. The only topic of the moment was the House of Lords, and he dealt faithfully with it. He had always felt, he said, that the question of carrying through such measures as the people demanded through their representatives, whether the Lords wished it or not, was the great question in front of the Liberal Party. Urgent reforms were matters for purely academic discussion until some means had been found to make the will of the people paramount in the Legislature. He went on to point the moral of the situation for Wales. The House of Lords would never pass a Disestablishment Bill worth looking at, although Wales had clearly and constitutionally called for it at six or seven general elections.

I will say this to my fellow-countrymen—if they find the Government manœuvring its artillery into position for making an attack on the Lords, the Welshmen who worry the Government into attending to anything else until the citadel has been stormed ought to be put in the guard-room.

That single sentence at once became a text for exposition and exegesis. It was examined and analysed with a minute criticism rare even where the utterances of Cabinet Ministers are concerned. It was interpreted as an admission that the





RT, HON. LORD PONTYPRIDD  
(Sir Alfred Thomas)





Government had abandoned Welsh Disestablishment. If the citadel must be stormed before the claims of Disestablishment could be pressed, then it was clear that the aspirations of Wales must await fulfilment during the tedium of a long and doubtful siege. It was manifest, the critics said, that the rejection of Disestablishment was not to be part of the case against the Peers : in the process (according to the time-honoured phrase) of "filling up the cup," it was not to be a drop in the cup.

Whatever mutterings there had been in the ranks, the "guard-room speech," as it soon came to be called, did not have the effect of stilling them. Within a fortnight of its delivery the Congregationalist Association of North Carnarvonshire solemnly passed, at Carnarvon, in Mr. Lloyd George's own constituency, a resolution expressing their deep concern at the suggestion that Wales should drop Disestablishment for an indefinite period in order to enable the Government to concentrate its energies upon an attack on the House of Lords. Almost every Non-conformist meeting of importance in Wales eagerly followed the example of the Congregationalists of Carnarvonshire. The indignation was not confined to the connectional gatherings. At the end of January the Liberal Association of South Carnarvonshire unanimously condemned the suggestion of the President of the Board of Trade. Welsh members of Parliament hastened forward to protest against the speech, its meaning, and its metaphor. Mr. D. A. Thomas, a survivor of "the Four," openly expressed his disapproval. Mr. Ellis Griffith, the ablest among the younger Welshmen, while he admitted that if it was intended to appeal to the country at once upon the question of the House of Lords it might be difficult to insist that Welsh Disestablishment should be proceeded with in the Commons, declared that there was no justification for excluding Welsh Disestablishment from the programme of the Liberal Party if it was proposed to introduce legislation in the Commons as the basis of an attack upon the Second Chamber. For more than a generation, he said, the Welsh people had played the part of the anvil in politics : now they wished to exchange it for that of the hammer.<sup>1</sup> Mr. Ellis Davies, a newer recruit in the House, made his position equally clear, and finally Sir Alfred Thomas, the Chairman of the Welsh Party, declared that, whatever might happen, Welsh members must not permit their great question to be put back from the position of legislative precedence which they had with such effort and sacrifice secured for it.

On February 12, the day before Parliament met, Mr. Ellis

<sup>1</sup> See the "Manchester Guardian," February 12, 1907.

Griffith raised the question at the first sessional meeting of the Welsh Party, and, in the presence of Mr. Lloyd George, referred to the unrest which his pronouncement had caused. It was, he said, imperatively and urgently necessary to reassure the Welsh people by reiterating the pledge that the Bill would be introduced in the third session. Mr. Lloyd George, in the discussion that followed, did what he could to allay the irritation which the Carnarvon speech had produced. He had meant no more than this, he said—that if the Government decided to abandon the policy of “filling up the cup” in favour of a direct attack upon the Lords, he hoped that Wales would be loyal to the Government’s decision.

He had another opportunity of soothing the anxieties of his friends a month later,<sup>1</sup> when some of the Welsh members made a demonstration in force against the Welsh Church Commission. Among others, “Mabon” denounced it as unnecessary, asked for an assurance that the Government were not using it as a means of shelving the great grievance of the Principality, and threatened that, unless such an assurance were forthcoming, the Welsh Party would follow the example of the Irish, and use obstruction as a weapon against the Government. This menace did not induce Sir Henry Campbell-Bannerman, in the speech he made during the discussion (which had arisen on the supplementary estimates), to make any reference whatever to the Welsh demand. It was left to Mr. Lloyd George to state the intentions of the Government, and he expressed cordial agreement with the view put forward by Sir Alfred Thomas that the purpose of the Commission was not to inquire into the question of Disestablishment. That question the Government regarded as settled. The purpose of the Commission was to inquire into facts bearing on the controversy, to supply facts and figures tested by cross-examination, so that it would no longer be necessary to rely upon unofficial statistics, contradicting each other, prepared by the partisans of either side.

It had been arranged that Mr. Lloyd George should preside at the annual meeting of the Liberation Society at the beginning of May. As luck would have it, a Cabinet meeting, fixed unexpectedly, prevented him from being present. He sent a fresh message of assurance “that the Prime Minister had definitely promised to take up the question of Welsh Disestablishment at the earliest possible moment,” adding that after a promise of that kind they might be sure that the Prime Minister “would at least spare no effort to redeem his pledge.” At the same

<sup>1</sup> March 12, 1907.



time he urged that an essential preliminary to victory was the overthrow of the House of Lords. The Government were determined to grapple in earnest with the problem.

But such assurances were not enough to quiet the agitation. Feelings were deeply stirred when three of the most influential members of the Commission—Dr. Fairbairn, Professor Henry Jones, and Mr. Samuel Evans—resigned because the Chairman refused to allow “historical” evidence to be adduced. The sittings of the Commission seemed to be at once interminable and unproductive. Many Nonconformist bodies, deaf to Mr. Lloyd George’s persuasion, remained firm in their refusal to tender any evidence whatever while the scope of the inquiry was so restricted. The more the Government’s professions were examined the less plausible they appeared, and the more intolerable seemed the delay.

In June there were mutineers on all sides. At a Bangor Liberal Association meeting<sup>1</sup> one speaker went so far as to suggest that Mr. Lloyd George, who was known to be anxious to address his constituents at Bangor, should not be invited there. The disaffected orator was in a hopeless minority, but he was given a prominence in Conservative newspapers which may perhaps have surprised him. The Congregationalists of Carnarvonshire again drew attention upon themselves by censuring the Government, and the proposer of the resolution, which they carried enthusiastically, asked amid loud applause whether Mr. Lloyd George was prepared to sever his connection with a Government “which thus insulted his nation and co-religionists.” Other Nonconformist gatherings followed the example, and the revolt spread from platform to platform, from newspaper to newspaper. There is no paper that exercises a stronger influence upon the thought of the Free Churches than the “British Weekly,” and few editors in this country wield a power comparable with that of Dr. Robertson Nicoll. In the first week of June he published a strong criticism of the Government, and in particular of Mr. Lloyd George. An immediate general election, he wrote, would involve the defeat of the Government. There was no need to call Nonconformists from the Liberal camp. They were out already. The fire that lit Liberalism to its triumph was extinguished.

Last election was the first time for nearly a generation when multitudes who had long been absent rallied to the fight. What they drew the sword for was their religious liberty. That inflamed their enthusiasm, and

<sup>1</sup> June 12, 1907.

nerved them to such sacrifice and labour and passion as have hardly been seen in an election before, and they have now made up their minds that this cause is not safe in the hands of the Government.

What was the position of Wales? What about Disestablishment? Mr. Lloyd George was "a supremely clever man, with a quite ecclesiastical turn for manœuvre." He had done brilliantly in his department, but what had he done for Wales?

Well, he has given Wales the Welsh Commission, a boon which the Principality is deeply pondering. Mr. Lloyd George is detained by mysterious providences from appearing at Nonconformist gatherings nowadays, but he will have to explain himself to the nation that has so trusted him. If Wales is satisfied, there is no more to say, but is there one Welshman who believes that the present Government will take up Disestablishment?

A deputation of Welsh members waited upon the Prime Minister to seek a renewal of the supposed pledge that the Bill would be introduced in the third session. Sir Henry Campbell-Bannerman was candid, but not reassuring. He made it clear, indeed, that there had been no such definite pledge, and he would give none. There was growing dejection and resentment. At the end of June the Congregationalist Union of the whole of Wales was to meet at Neath, and it seemed that the protests of that body in Carnarvonshire would now be renewed from a larger platform. Draft resolutions, pitched in the key of revolt, had been published in the Press, and for weeks paragraphs had been published in the Conservative papers "sonorously magnifying every note of rebellion."<sup>1</sup>

The difficulties of Mr. Lloyd George's position were becoming great enough to make him thoroughly happy. He decided to send a message to the Union, and he entrusted his friend the Rev. Elvet Lewis—a minister of considerable renown as a pulpit orator and as a writer—with the delivery of it. He accordingly drafted a letter in reply to a communication in which Mr. Lewis asked for some assurance upon the subject of the national grievance. His letter was read by Mr. Lewis in the course of a moderate speech in favour of a somewhat strongly worded resolution. In words which "the Prime Minister fully sanctioned as an accurate interpretation of his views and intentions," the letter promised, first, that if that Parliament ran its normal course, a Bill for the disestablishment and disendowment of the Church in Wales would be pressed through all its stages in the House of Commons. Secondly, if an appeal to the country was pre-

<sup>1</sup> See an article by the Rev. H. Elvet Lewis, "British Weekly," July 11, 1907.



capitated owing to the action of the Lords, then, while "all questions must necessarily be subordinated to the one great issue whether the Peers or the People were to govern this land," Welsh Disestablishment would undoubtedly stand in the forefront amongst the matters to be dealt with in a Parliament working under "new conditions."

The letter produced a considerable effect. The resolution passed, though worded with sufficient strength, was rather in the nature of a friendly incentive than an impatient censure. But the trouble was not yet over. The letter did not placate all the members of the Conference. One speaker indeed protested against "outside interference," and his sentiment was loudly cheered. It was very noticeable, too, that every mention of the three gentlemen who had seceded from the Welsh Church Commission was received with resounding cheers. Many believed, as a member of the Union wrote, that were Mr. Lloyd George not "bound by the trammels of office" he would himself have been mobilising the forces of revolt.<sup>1</sup> The pledge which his letter contained did not, upon closer examination, seem altogether satisfying. It depended upon a condition: "if the present Parliament runs its normal course." Every one knew, it was urged, that Parliament would not run its normal course. Even the specific assurance that Welsh Disestablishment would take a leading place among the measures which the Government would introduce when once the House of Lords ceased to block the way did not quench the fire of revolt. In spite of the letter, therefore, it was decided, as a direct outcome of this meeting, to form a Nonconformist League of all the Free Churches in Wales and to summon in the autumn a great representative Nonconformist Convention which might prove not less effective than the conferences summoned by Mr. Lloyd George himself in his campaign against the Education Act.

Meanwhile, early in July Mr. Lloyd George presided over a small meeting at the New Reform Club, which Mr. Llewellyn Williams, M.P., addressed on the historical aspect of Welsh Disestablishment. Mr. Ellis Griffith was present, and in the discussion which followed the lecture he tried, with much ingenuity, to "draw" the Cabinet Minister. Mr. Lloyd George spoke to the small audience—not more than a hundred were present—"with as much fervour as if thousands had been hanging on his lips." He agreed with Mr. Ellis Griffith that, if the policy of the Government was to be one of filling up the cup, the grievance of Wales must be poured into the cup. But that was a policy

<sup>1</sup> See an article in the "South Wales Daily News," June 28, 1907.



he had always deprecated—it would make Liberals ridiculous before the nation. If a Bill for Welsh Disestablishment went up to the Lords, they would not even try to amend it : it would be thrown out on the second reading. Speaking as a Welshman, he said that the first question, and the only practical question for Wales, was a thorough and drastic reform of the House of Lords.

The Convention was summoned for October 10. It was awaited eagerly by the revolting forces, certainly not less eagerly by the Tory Party. Conservatives would have been less than human if they had not felt a certain malicious joy at the prospect of embarrassment for the former leader of revolt. Not that the Nonconformists of Wales had lost their affection for their old leader or their faith in him. One of the chief critics of the Government and organisers of the Convention was the Rev. Evan Jones, a well-known and popular minister in Carnarvon, who had long been politically associated with him. Evan Jones had now rallied to the support of Mr. Ellis Griffith, and a few days before the Convention was to be held they were both addressing an enthusiastic meeting in the latter's constituency.<sup>1</sup> Mr. Griffith had no words of blame, he said, for any member of the Cabinet. Mr. Lloyd George, and with him Mr. McKenna and Mr. Herbert Lewis, had their duty to perform to the Cabinet : the Welsh members had their duty to perform—to Wales. He ridiculed the notion that the existence of the House of Lords was a sufficient excuse for the shelving of Welsh Disestablishment. The House of Lords was there in 1906, when Welsh Disestablishment had been promised "at the first available opportunity." He answered Mr. Lloyd George's contention that it was futile to send a Welsh Disestablishment Bill to the Lords with the retort that unless such a Bill had been rejected by the Peers it would not go before the country as a count in the indictment against them. It was clear from the fervour of this Anglesey meeting that Mr. Ellis Griffith and Mr. Evan Jones would have a large body of opinion behind them in the threatened rebellion. The preparations were complete for an open and studied rebuke from Wales to the Government which contained the Welshman of whom Wales was most proud.

Strong resolutions had been drafted which amounted to a vote of censure upon the Government. It seemed certain that the Convention would pass them almost with unanimity, and certainly with enthusiasm. The national hero, whose eloquence had so often won the approval and the plaudits of national

<sup>1</sup> At Amlwch, October 1907.

assemblies of his countrymen, was now to be the object of their censure. He had not been invited to be present : Welsh members of Parliament who were also Ministers of the Crown had been carefully excluded. The enemy, rejoicing at divisions in the Liberal camp, was pleased to believe that scarcely two years of office had so shaken the influence of the Welsh leader that he was to be flouted in his own country and by his own people.

Then, two days before the Convention was to sit, it was suddenly announced, to the consternation of many of the interested parties, that Mr. Lloyd George had obtained a nomination as a delegate and intended to attend the Convention. It was a bold stroke, which changed the whole current of speculation. The question now was how far the genius of his advocacy would avail against the stubborn determination of the massed forces of his disciples in the practice of revolt. Would he escape with dignity or would his assembled countrymen flout him to his face ? Would he once more use the arts of which he was a master to convince his hearers against their own will, or was he attempting a task too great even for his powers ?

On the 9th Mr. Lloyd George arrived at Cardiff, where on the next day two thousand five hundred delegates were to meet. In the afternoon a meeting of the executive of the Convention was held, and he was present at it. The result of that meeting was that the sting was taken out of the resolutions to be proposed. They lost their minatory tone, and remained strong, but respectful, exhortations, which the most loyal supporter of the Government need not have shrunk from supporting. So far he had triumphed. On the next day he "faced the music" of the Convention.

He was well received. The chairman<sup>1</sup> took the first opportunity of declaring that they were not there to condemn the Cabinet, still less to condemn "the great force within the Cabinet in favour of our views." Their only wish was to strengthen his hands. Subsequent speakers were content to embroider upon the chairman's text. It was not until the Rev. Evan Jones rose to propose the founding of a Nonconformist League for Wales that the real business of the day seemed to have begun. The aged minister from Carnarvon, a striking figure and a beloved personality, spoke plainly and frankly. He was terribly disappointed, he declared, with the vague and indefinite "pledges" which were all that the Government was willing to offer. "If there were four Georges," he cried, "I would still say, 'Don't be like sheep,' " and the audience cheered with a note of defiance.

<sup>1</sup> The Rev. John Morgan Jones.



The next speaker soon made way for Mr. Lloyd George, who rose to a reception not less cordial than had met him on his arrival.

But there was a large proportion of the audience which was still unplaced, and it was evident that Mr. Lloyd George knew it. As he had won over the meeting at Nevin<sup>1</sup> which, during the 1900 election, had gathered to condemn his anti-war policy, and had remained to cheer it, so he now set himself to a greater feat of advocacy. In both instances one traces a similarity of method: he proceeds cautiously, by slow and safe degrees, treading as long as he can on ground not in dispute between his audience and himself. Finally, when he has his audience half won, and trembling on the brink of surrender, he appeals to their hearts with one of those short, dramatic, pathos-laden perorations of which he knows the secret better than any living orator, and in the emotion that sweeps like a wave over his hearers his conquest is secure.

He began now with a playful, kindly reference to his old mentor Evan Jones. "I came here to face the music—and we have heard a trombone from North Wales." Mr. Evan Jones had referred to the uneasiness of men like himself who had given a lifetime of labour for this great cause: "not a word will fall from me that will hurt him, because he was one of the first men who taught me the principles of religious equality." What was this uneasiness? He was not surprised at it: he welcomed it, rejoiced at it. The concern of Wales was that Disestablishment, the special standard of Welsh Liberalism, should not be left behind in the wilderness when the army was marching on the land of promise. "But had you not better," he went on, "beat the Amalekite? What is the good of firing at Moses and Joshua? Why don't you slay the sons of Ammon?"

"We had laughed at his earlier sallies," a very trustworthy witness<sup>2</sup> wrote afterwards, "but when he pleaded, half defiantly, half regretfully, that 'they should be fair—even to their friends,' the audience winced." He went on to deal with the difficulties which confronted the Government, chief among them the veto of the House of Lords, which must go before they would ever get a real Bill for Wales. If the Government came to the conclusion that a fourth session was impossible, he would protest most emphatically against any interference with the authority of the Prime Minister to decide the moment at which the country must be called upon to give its decision on the conflict with the Peers. On the other hand, if the Government were to adopt the policy of continuing to send Bills up to the Lords

<sup>1</sup> See Vol. II., p. 240.

<sup>2</sup> The Rev. Elvet Lewis.



and waiting for their rejection, then the Welsh Bill must be of their number.

"Have I made myself perfectly clear?" he asked. There was a shout of Yes, but Mr. Evan Jones sprang to his feet with a question. If the Bill had not been introduced when the Government dissolved, would the question of Disestablishment go before the country. "Certainly," Mr. Lloyd George answered, and Mr. Evan Jones sat down clapping his hands. The last open note of dissension had died away. Here was the advantage, the speaker continued, of discussing matters frankly. They were united. Indeed, there were only two things to which he would have objected very strongly in any resolution they could have passed—anything which cast a reflection upon the sincerity of the Prime Minister and his colleagues, and anything which sought to dictate the moment when the Government should go to the country.

Nothing was gained by ignoring difficulties. In his experience, a fairly long one, of public life, those men who ignored difficulties were the men who could never be relied upon to face them. It was easy to carry resolutions at a Convention: to carry a Bill through Parliament was a very different task. A hundred and one conflicting claims elbowed each other, all just and fair, all urgent and insistent, eternal righteousness behind every one, all trying, with a good deal of shouting, to enter through a very narrow door. Those were things to be remembered in the enthusiasm of a great and unanimous meeting.

Then suddenly came the peroration: "Recognise our difficulties. Be fair to us and we will be true to you. No man gives his best to a people who distrust him, who, the moment difficulties arise, assail him with suspicion. You have got to trust somebody." A voice cried, "Lloyd George!" and the whole meeting cheered. "Oh! let me say this to you: if you can find a better go to him, but in the meantime don't fire at us from behind." Another burst of applause led him to a last passionate sentence: "Who said I was going to sell Wales? Seven years ago there was a little country, which I never saw, fighting for freedom, fighting for fair play. I had never been within a thousand miles of it, never known any of its inhabitants." The applause came louder. "Pardon me for reminding you," he said, and shouts of encouragement came from every part of the great chapel: "I risked my seat: I risked my livelihood—it was leaving me." "You risked your life," a voice cried from the audience. "Yes, I risked my life." At this there was not a man present who did not rise to his feet, and tears and sobs mingled with the

storm of cheering. "Am I going to sell the land I love?" he cried when there was silence, and then he added a last word in their own Welsh tongue: "God knows how dear to me is my Wales!"<sup>1</sup>

After that everything was an anti-climax. Mr. Samuel Evans added a tribute to the sincerity of his old colleague. Mr. Ellis Griffith, speaking to an emptying hall, claimed that if any one had been captured it was not the Convention, but the President of the Board of Trade, and contrasted the speech which the Convention had heard that day with the "guard-room speech" of the beginning of the year.

The reader may decide for himself whether Mr. Lloyd George captured the Convention or the Convention captured Mr. Lloyd George. Looking at forms of words and tangible results, it is not easy to see that the Convention materially changed the situation at all. But there is no doubt that it confirmed his hold upon the nation which some had believed to be slipping from his grasp. Had he not attended the Convention it is hard to say how far it might have been led upon the path of revolt, and in the circumstances a revolt against the Government implied, or was felt to imply, a repudiation of Mr. Lloyd George as a national leader. It was indeed plainly urged by Mr. D. A. Thomas that the attempt to play the double part of national leader and Cabinet Minister was doomed to failure. Imagine Parnell, he wrote, Chief Secretary for Ireland.<sup>2</sup> That criticism, whether it was right or wrong, was of small avail with the Nonconformists of Wales when it stood against the magic of their leader's eloquence. At the end of the month, a repetition of the Cardiff pledge at the annual Liberal Convention, held at Rhyl in connection with the meeting of the Welsh National Liberal Council, was received with every mark of complacent satisfaction by the delegates, and Mr. Ellis Griffith, who spoke on the question of Disestablishment, was met with a cry of "Don't you split the ranks."

#### IV

Mr. Lloyd George's visit to Belfast—Speech in the Ulster Hall—The evil of racialism—Ulster's responsibility.

Earlier in 1907 the President of the Board of Trade had paid a visit to Belfast and addressed a large meeting of Ulster Liberals

<sup>1</sup> Duw a wyr mor anwyl yw Cymru lan i mi!

<sup>2</sup> See Mr. D. A. Thomas's article in the "British Weekly," October 17, 1907.



within the hallowed precincts of the Ulster Hall. The occasion must not pass without notice here. It was the first time for more than twenty years that a Liberal Minister of Cabinet rank had visited Ulster upon a political mission, and a later experience of Mr. Winston Churchill shows that it was something of an achievement. The announcement of the visit was received with some resentment, and called forth the inevitable threats of violence and disorder, but to the credit of Belfast these threats were none of them fulfilled. If they were intended to frighten Mr. Lloyd George away, his worst enemy will admit that they were not likely to succeed. Indeed they made it only the more certain that he would keep his appointment. The meeting was fixed for February 8, and the same day was chosen later for a Cabinet meeting. Mr. Lloyd George told his audience at the luncheon which preceded his evening meeting that, although Cabinet meetings on the eve of the reassembling of Parliament were among all Cabinet meetings the most important, he had felt that he must come to Belfast—if only because he had been threatened.

He was Lord Pirrie's guest at Ormiston, and his host was chairman at the Ulster Hall meeting. The rumours of opposition, which had been spread assiduously, had induced the authorities to draft a large force of police into the neighbourhood of the hall, and numbers of "plain-clothes men" mingled with the crowd. More than this, it was known that the military had been confined to barracks and were being held in readiness for any emergency that might arise. On the doors of the Ulster Hall large placards were posted, announcing that persons holding forged tickets of admission would be arrested and prosecuted according to law. Whether as a result of all these precautions or of the respect for the law inherent in the sober citizens of Belfast, there was no disorder inside or outside the hall.

Mr. Lloyd George's speech was an appeal from a Welsh Protestant to Irish Protestants. He recognised at the outset the fact that Irish politics are as different from English politics as those of a foreign country. In England at that date Liberal audiences were much more accustomed than Tory audiences to attacks on priestcraft, but in the North of Ireland it was the Unionist audience which craved for and obtained full-blooded denunciations of the priest. Unionists like Mr. Walter Long went to Ireland to declare their sturdy Protestantism fresh from supporting an Education Bill which only a small minority of the Protestants in England could be found to support with any heart at all. Mr. Lloyd George frankly recognised that he



would find himself in complete agreement on all points of public policy with only very few of his audience, and from this very fact he was able to draw an obvious moral. He did not, he said, pretend to understand Irish politics. But then they in Ireland were governed by people who did not understand Irish politics. This much he knew, that the views which he cherished conscientiously were views with which hundreds of those who were listening to him would just as conscientiously disagree. He had cannons to right of him, and cannons to left of him. On the one hand he believed that the schools of the State, into which it sent the children of the people, which were maintained by the people, should be managed and controlled by the people without interference from the clergy of any sect. There would be many in Belfast, as in the rest of Ireland, who could not agree with him in that. On the other hand, he went much further in his belief in self-government than many in that meeting would be prepared to go. There was only one course open to him, to say exactly what he believed about these topics without trying to search out to what section of the audience they happened to be acceptable.

After what he called "this injudicious prelude" he took the first step in his argument by elaborating the thesis that, but for international and inter-racial antipathies, "Toryism would have been as dead in the land as Druidism." In 1886, and again in 1895, Toryism had traded upon a certain distrust which Englishmen, Scotchmen, and Welshmen had of the Irishman. In 1900 Toryism fomented British hatred of Dutch farmers in the Transvaal, and having obtained a majority to put down the Dutchmen, used it to put down Protestant Dissent and the rising wave of sobriety. In 1906 Toryism tried to keep its place by stirring up hatred of the German, but failed because Mr. Chamberlain was too frank in his explanation of his proposals. The moral of all this was of course that Ulster, which was "at heart essentially Liberal," because "Protestantism was a progressive and a Liberal creed," had been seduced to Toryism by a racial feud. Unionism, when it was Liberal Unionism, had been for years a fairly progressive creed: but since 1899 the Liberal element in Unionism had disappeared; its last vestige went when Mr. Wyndham was driven out of the Cabinet by the Tory reactionaries. Alliance with the Opposition now implied allegiance, not to Liberal Unionism, but to the musty Toryism of fifty years ago. He reminded his audience that Mr. Chamberlain, not in his Radical days, but in the days of his Unionism in 1887, had declared for local legislatures under the supreme Imperial Parliament. Liberal

Unionism had been prepared to give extended powers of self-government to Ireland.

Why had Ireland no gratitude for the money that the English taxpayer had poured into the country? The greatest of Irishmen, Edmund Burke, had said that it was no use giving a boon to a people unless you gave them the boon they asked. "Every nation," Burke said, "has its own test of liberty, its own criterion of happiness. The criterion of one nationality is not the criterion of another." What had Ireland asked?

What has she asked for centuries, asked when her voice was choked with blood, asked from the prison, asked from the scaffold, asked on the battlefield, asked when she was dying from starvation? She asks but one thing—the freedom to govern herself. . . . I do not mean to say that when Ireland asks for bread, England now gives her a stone. England has done that in the past. I do not mean to say that when Irishmen ask for fish, Englishmen give them scorpions. They do not; but they insist upon giving them things which do not suit their palates or their appetites, and the most aggravating form of hunger is to be offered dishes that one does not want.

Toryism rejected the demand of Ireland although Unionism, he believed, had meant to redeem the pledge of 1887. Mr. Wyndham had been thwarted in his plans by a narrow, bigoted Toryism, masquerading as Unionism in Ulster and elsewhere. Upon Ulster a great responsibility now rested. Reasons of creed, reasons of faith, bade people listen specially to them. Did they not think they might be magnanimous?

Look at this ill-fated island! What a morass its history is of racial, religious, personal misunderstanding, ruthless oppression, savage vengeance, frenzied crime against the law—yes, and by means of the law—legal wrong, lawless justice: and myriads of men, women, and children, from generation to generation, sunk and struggling in it, and yet clinging with unutterable devotion to the woe-stricken land which bore them. The tardy, but true, national conscience of Britain has been awakened, but the responsibility rests primarily upon Ulster. Will the Protestant North rise above prejudice and belief and blood? Will you lead in the rescue? If you will, I as a Protestant tell you that you will add one more laurel to the many that your faith and mine has won in the cause of human progress.

## CHAPTER III

### I

Mr. Lloyd George as legislator—The Merchant Shipping Act—The views of shipowners  
—The provisions of the Act—Some difficulties and their solution—The load-line.

SO far we have dealt with that side of the political life of the President of the Board of Trade which least commended itself to his opponents. When we turn to the great constructive measures which he left upon the statute book we find ourselves in an atmosphere of general benevolence and goodwill. Of these the first, perhaps the most important, and certainly one may say the most illustrative of his genius in reconciling conflicting interests, was the Merchant Shipping Act of 1906. The subject of Merchant Shipping was at once technical in the extreme, and instinct with all the possibilities of political passion. The question of the load-line and the safety of sailors is one on which humanitarians are sometimes more clamorous than well informed. What effect the importation of sentiment into the consideration of questions of safety at sea and the like can have, even upon a judicial and highly competent tribunal, has only too often been seen in the reports of wreck inquiries. But not only does legislation on such a subject as Merchant Shipping easily arouse partisanship, sentimentality, and political passion in an observer of the phenomena and problems of the question, however impartial and detached that observer may desire his attitude to be—not only, for this reason, is it desirable that legislative proposals in the matter should not be undertaken without the critical assistance of practical business men—but Merchant Shipping is pre-eminently distinguished by the multitude and importance of the technical points which arise, and no official or purely scientific adviser is likely or indeed able so thoroughly to comprehend the subtle entanglements of these highly technical difficulties as are the owners and managers



of the greater English lines, whether the ships they own be Leviathans of oceans, or only some of the thousands of English cargo steamers, on which our trade depends, though the scoffer calls them "tramps."

Mr. Lloyd George has never been a man to legislate blindly, and considerations like these were sure to have with him their due and proper weight. Nor is it surprising, when we remember the pride in the achievements of his country which is reflected in his speeches on Free Trade, with their panegyrics upon the successes of our merchants and our carriers, that he approached with enthusiasm a problem of such fascination and such moment and was ready and eager to consult those practical men who were the pillars and creators of so fine a branch of commerce. Whatever may be a man's dislike for militant aggression, whatever his contempt for Imperialistic braggadocio, the triumphs and the conquests of the British Mercantile Marine are a fit and proper cause for pride to every Englishman, and the captains of so great an industry may well deserve and demand that their advice should be sought and their suggestions respected, when legislation affecting their calling is contemplated. It is true that every innovation in every sphere that legislation can touch will always be met by many practical men with their eternal laments and their flat denials. "*That* will ruin the industry" and "*That* is impossible, you can't do it"—these are the stock answers, still as fresh and vigorous and as full of conviction as ever, which business gives to the reformer. And ship-owners may be pardoned if here or there, on this point or on that, finding no answer handy, but sure in their hearts that the innovation was wrong, they fell back on the old denials, the old outcry of ruin. But men of the type to which most of them belong; men who have enjoyed what is perhaps the finest business training that the world can give, who are constantly in touch with realities, and who can afford prejudices in their business less perhaps than any business men—men, above all, to whom their calling as carriers of the world's commerce necessarily gives some notion of economics, and the meaning and force of economic laws—are sure to be good advisers, when legislation is contemplated on the questions which are raised by their industry. Them, therefore, Mr. Lloyd George called into consultation before he framed the Bill, which, modified as it was by suggestions gladly received, carefully weighed, and, wherever they were useful and practicable, adopted, ultimately became the Merchant Shipping Act of 1906. Legislation by the people affected is the only truly Liberal legislation, and so-

called "*paternal*" government must always be detested by men of Mr. Lloyd George's stamp. In consulting the shipowners and the other interests affected by his proposals, as he did, Mr. Lloyd George was only inaugurating, at the outset of his Ministerial career, a policy which he has faithfully followed since. Such a policy is in fact the very opposite to Bureaucracy—it proceeds from and is based on a perfect realisation of the truth that the people in a democratic country are the lawgiver and the lawmaker, and it allows the hand of the community free access to the statute book, to write there what it wills. It is one of the paradoxes of the times, to be explained only by the love of Toryism for any refrain with a catch in it, however irrelevant, however demonstrably untrue, that because he puts into the people's hands a highly organised office, in this department of national life or in that, the officers of which are in direct contact with the persons whose interests their actions will affect, to do their bidding surely and well, Mr. Lloyd George has been called a Bureaucrat and a creator of officials. It is another paradox, and one especially connected with this subject of Merchant Shipping, that the party which claims a monopoly of patriotism and of commercial instinct should be pledged, or be thought or alleged by its supporters to be pledged, to a policy the triumph of which must inevitably sweep the British flag from the seas far more effectually than any broom of Van Tromp, and must reduce our mercantile marine to a poor shadow of its present splendid self.

Mr. Lloyd George has his reward for the pains he took to satisfy the various interests affected by his Act not only in its smooth working and admitted usefulness, but also by the praise which his achievement won from men politically opposed to him on every other question. The Liverpool steamship owners, at their annual meeting on February 11, 1907, placed on record their high appreciation of the immense amount of time and trouble devoted to the Act during the year by the President of the Board of Trade and of the ability and impartiality with which he conducted the inquiry, and directed the proceedings in Parliament. Praise from an association whose members own among them over 3,500,000 tons of shipping is no light tribute to Mr. Lloyd George's capacity. A week before the Liverpool meeting, the Clyde steamship owners, assembled at Glasgow, had been addressed in a pessimistic strain by their president, who had obviously been saddened by contact with the impracticable demands of enthusiastic interlopers, but the pessimism of the president was well met by the tribute paid to





MR. LLOYD GEORGE AND MEGAN.

*(Photograph by Ernest Mills.)*





Mr. Lloyd George by Mr. W. H. Raeburn, the Glasgow shipowner. Mr. Raeburn said that of all the Presidents of the Board of Trade he had never met one who had so thoroughly mastered the details of complicated questions, nor one so eminently fair. Mr. Raeburn's opinion of the Act was not so strongly expressed, but to win from a man of business, and a Scotsman at that, the admission that any piece of legislative interference with his industry "might have been worse" is certainly something of an achievement.

The debates in the House of Commons during the passage of the Bill into law had made equally pleasant reading. From all sides had been heard tributes to the President of the Board of Trade. On October 23, 1906, Mr. Harwood Banner had expressed his gratitude to Mr. Lloyd George for having brought in so excellent a measure, and for having considered the representations of those who were interested. Mr. Houston had admitted that the right hon. gentleman had been actuated by a strict sense of justice and fair play, indeed few Presidents of the Board of Trade had done better than Mr. Lloyd George. Mr. Runciman had said that the Bill enormously improved the position of British shipowners, and with these expressions of good-will from members pre-eminently and honourably associated with the most wonderful branch of English commerce, sweetening and quickening the air of the House of Commons, Mr. Bonar Law—not yet a leader—had expressed his recognition of the fact that the right hon. gentleman had shown his desire to meet every difficulty.

The "Westminster Gazette" might well observe, in noticing the successful progress of the Bill through the House:

Mr. Lloyd George is heartily to be congratulated on the skilful and tactful way he has steered through a measure of great complexity. It is quite easy to bring in a Shipping Bill and fail to get it through, as Mr. Chamberlain discovered once upon a time, but Mr. Lloyd George, capably assisted by Mr. Kearley, has won a very notable triumph in getting the House of Commons to assent to a Bill which we believe will do a great deal for all interested in Merchant Shipping. Both shipowners and seamen will, we hope and believe, profit by this amendment of the law.

This reference to Mr. Kearley is a well-deserved tribute to the ability and skill displayed by that gentleman during the passage of the Bill through the House. Indeed, it is a striking fact that the best brains and the ripest experience of the British commercial world seem all along to have united with Mr. Lloyd

George in his efforts to make the Bill a good one, and the Act successful.

The interests affected by any alteration in the Merchant Shipping Laws were so numerous and so diverse that it was indeed a signal triumph to have dissatisfied nobody but a few extremists. Moreover, Mr. Lloyd George's was, as was pointed out at the time, the first attempt for fifty years seriously to amend the Merchant Shipping Laws. Codified as they were in 1894, those laws yet represented legislative efforts to meet the needs of a generation very far removed in many essentials from the modern age of shipping. New and clamorous demands had arisen, conditions unheard of in the last century had become the ordinary experiences of everyday life, owners and seamen, passengers and pilots alike called for notice to be taken of their grievances, and yet no single class affected by the laws that govern our ships found its interests unregarded, or its requests passed over.

That men should continue to be attracted to the sailor's life, and that their life as sailors should be as free from unnecessary hardships as possible, is a matter of the first importance to a State whose merchant flag floats proudly on every sea, whose merchant shipping is her greatest asset in peace, and whose navy would be her staunchest guardian in war. It is therefore not the least of the excellences of the Act that it assures to seamen every reasonable comfort and security. But a word of warning is necessary when reference is made to that part of the Act which prescribes the improved conditions of the seaman's life. It must not be thought that shipowners were in fact up to 1906 sacrificing their seamen to economy, and scraping their dividends from their servants' bread. On the contrary, the older and bad conditions had long since disappeared for the most part from the life of English seamen. The Act gave legislative stamp and sanction, and compelled obedience, from the few shipowners of the baser type, to requirements with some of which the great mass of English shipowners had long since come to comply, and all of which they had spontaneously recognised as useful and fair. The Act was not so much the cause of the betterment of the life of British seamen, as the mark and sign of that betterment and a barrier making retrogression impossible. The Act contains a generous schedule of food and water allowances for the men. Inspection of the stores is provided for, and the cooks carried must be competent. The space devoted to the men's accommodation is also considerably enlarged. Commander Cawley, R.N.R., voiced the



general gratitude of seamen, when he said how heartily he welcomed the provisions for bettering the seamen's lives by giving them sufficient food, properly cooked and suitable for tropical climates, and sufficient water—not only enough to allay their thirst but to keep their bodies clean, and sufficient space which they can call their own to move about in. “In his younger days he had known the salt abominations called meat, and had partaken largely of the insect life existing without concealment in the bread. He was glad to think that such conditions were gone for ever from the British mercantile marine.” They had gone, these old days, and the Act has made return to the old state of things impossible. But the food and accommodation were not the only elements in which the seaman's lot was improved by the Act. It provided for the remittance by sailors of their wages, or part of them, to their distant homes, and a master is now required to afford facilities for such remittance. There are most elaborate provisions as to the repatriation of seamen who are discharged abroad, or whose voyage terminates in a foreign port—leave so to discharge men, unless the voyage is abandoned, may be refused by the British consular or other authority, whose consent is made by the Act a condition precedent to such discharge. In cases of illness, with certain necessary exceptions, the shipowner is to pay the medical expenses of his men, and may make no deductions from their wages in this respect. The sections<sup>1</sup> which deal with these matters afford an excellent example of the lucidity and foresight of the framers of the Act, when they were dealing with intricate questions, capable of almost infinite complications.

It is worthy of remark in this connection, although, strictly speaking, the fact is not a consequence of, nor concerned with, the Merchant Shipping Act itself, that Mr. Lloyd George was the first to direct that in cases where a wages dispute had arisen between master and crew, the crew might have legal representation or an official of their Union to assist them. Wholehearted opponents of Trade Unionism may object to this order, but inasmuch as a master may have his owner to help him, surely all fair-minded men will admit that the slow-spoken and often inarticulate British seaman ought in justice to be allowed a spokesman if he can find one.

The shipowners received a boon from the measure by the extension to all charterers of that principle of limited liability for damages caused by a ship which had hitherto only applied to legal owners, and were given an opportunity of making their influence felt by a clause which provided for the appointment

<sup>1</sup> Sections 28-49.

of advisory committees, on which shipowners were largely represented, which might be consulted by the Board of Trade before rules and regulations were framed under the Act.

Passengers in general were protected by a clause which forbade them to be carried on more than one deck below the waterline, while steerage passengers were especially provided for, and were given an opportunity of learning what is the food to which they are by law entitled, and so of seeing that they get it, and the Act also increased the dangers of what used to be the lucrative profession of falsely and fraudulently encouraging steerage emigration.

On these points, then, among the rest the Act provides for and protects one or other of the various interests affected. But as to the necessity for legislation on these points, and as to the usefulness of that actually enacted, there was never any real dispute. In assisting one class or another the legislator was benefiting all. The real difficulties arose, and the greater triumph of Mr. Lloyd George was achieved, when to concede to one class its just demands seemed to involve injustice to another. In the nice adjustment of conflicting claims, in the refusal to sacrifice any one body of persons, in the following out to their remotest consequences the results of every detail of the Act, its claims to an unaltered permanence in the statute book will be found to consist. And when the first draft suggestions in the Bill came to be discussed and gone into, there were many instances of conflicting claims. For instance, it was desired to omit from spaces calculable in ascertaining the tonnage of a ship all such as were used for the storage of provisions, for the accommodation of the crew, and for water-ballast. As has already been pointed out, the burden of the shipowner was increased by the Act, in that larger spaces had to be allotted to all these requirements. Ballast-space was enlarged, more room was required to be given to the storage of provisions for the crew, and the members of the crew themselves had the air-space for their accommodation raised from 70 to 120 cubic feet per man. Not unnaturally the shipowner objected to have to pay dues on, and in other ways to have counted against him, spaces which carried no cargo and earned no freight. It seemed at first sight a simple thing to leave out all such spaces in making the calculation desired. It was not so simple as it looked. Docks dues are paid upon net register tonnage. Dockowners, as was pointed out in the House of Commons by Mr. D. A. Thomas, are not and never have been making their fortunes on the dues as they are. To deduct so largely from the net tonnage of British ships, would mean to decrease almost to vanishing-point the earnings,



already small enough, of concerns which have expended millions on the provision of accommodation for the British mercantile marine. And the case of pilots was harder still. These men depend on their statutory fees, and in most cases these fees are based on net register tonnage. At Cardiff it was estimated that the pilots would lose 2s. 6d. in the £ of their earnings. At Swansea their total earnings from the whole port would diminish by £500 a year. For small remuneration the pilots of our coasts perform services of inestimable public value. The life and its requirements have produced a class of men able to stand comparison with any class in the world. The pilot is always on duty, as was pointed out by Commander Cawley, R.N.R., of the United Kingdom Pilots' Association, who championed the pilots' cause so energetically and effectively. The lives of passengers and men, and the safety of great ships, are in his hands. Greater and not less remuneration is what his work and his services demand. Moreover, if the spaces proposed to be exempted were exempted in fact, while the majority of pilots would be adversely and even ruinously affected, some would not be affected at all. For at some English ports pilotage dues are paid on draught and not on tonnage, and pilots at such "footage" ports would continue to be paid at the same rates as before. Nor must it be taken that the difficulty could have been met by calculating all pilotage charges on the "footage" system. That system was obsolete, a merely troublesome survival of the old days before the genius of designers had evolved the methods by which a maximum of tonnage can be carried on a minimum of draught. Some more scientific way of meeting the trouble had to be devised. The representations of Commander Cawley, R.N.R., and the pilots, and also of the dockowners, had their effect. A conference of the various interests took place in London, deputations were sent to Mr. Lloyd George on October 16, 1906, and in the House of Commons on November 16 Mr. Kearley announced that the clause—Clause 54 of the Act, providing for the omission of such spaces in calculating net tonnage—would be so altered as to limit the omission to the spaces used for water-ballast. Sir Robert Ropner accepted the change as a measure of compromise, though not of justice. Each party surrendered some of its demands, and an agreement which must be pronounced reasonable was reached.

But the provision of alterations in the basis for calculations of net register tonnage was not the only point on which the Bill inevitably gave rise to a conflict of claims. The load-line requirements of the earlier Merchant Shipping Acts were by Mr.



Lloyd George's measure to be extended, and rightly to be extended, to foreign ships. Such an extension was demanded, and with reason, not only by humanitarians, always preoccupied with the avoidance of all possible risks to life, but also by the owners of English ships suffering from the unfair competition of the foreign vessel labouring up Channel with her marks awash, and lighter by two hundred tons of bunkers than she was at leaving her loading port. But on this point, although the interests of shipowners and humanitarians were for once at one, while pilots and dockowners and the men before the mast were in no way adversely affected by the change, considerations of international law prevented that change from being as sweeping as many of its advocates desired. Originally framed to secure the observation of British load-line rules by all foreign ships in or *bound for* British ports, it was found necessary on the report stage of the Bill so to amend Clause 1 as to limit its application to foreign ships actually within the ports of this country. It was argued that a steamer sailing from the Plate may leave her port of loading with her marks well under, and yet, by the consumption of bunker coal incident to her progress, by the time she arrives at her destination in the United Kingdom she will fully conform to the English law. To allow this is to allow a foreign-owned vessel—provided, that is to say, that the requirements of its owners' Government are less stringent than are ours—to carry some two hundred tons more cargo than a British ship of the same size. That this affords a useful margin for freight-cutting by foreign shipowners is obvious. In his enthusiasm for British shipping the President of the Board of Trade had at first overlooked the fact that to require foreign ships to sail from their foreign port, whenever their destination was a British one, fully conforming to the English law, was in effect to endeavour to extend the operation of English law beyond British territory, and was therefore at once offensive to foreign Governments and a violation of the first principles of international law. True, it would be possible enough to calculate, by her condition on arrival, in what condition as to load-line a ship had sailed on her voyage, but even this would be complicated by the question whether the water in which she lay to load were fresh or salt, and if salt in what degree it was salt, and it introduced into our jurisprudence an extremely undesirable principle, that, namely, of the punishment of persons not British subjects for offences committed outside British jurisdiction.

Some of the shipowners in the House were not too pleased to lose the fuller assurance of equality which had been given to them by the original proposals. But the demands of inter-

national law are not lightly to be disregarded, and there is, moreover, considerable doubt in fact as to the existence, or at least as to the extent, of that overloading among foreign vessels which formed the basis of the shipowners' demands. For example, the requirements of the German load-line laws are at least as stringent as ours are; and psychological considerations have been alleged to play a large part in the prevention of overloading by masters of the less naturally nautical nations. On the whole it may truly be said that Mr. Lloyd George satisfied the demands of all parties in so far as they were moderate, without in any way playing to extremist opinion. Certain it is that one at least of the taunts flung at him for his final decision in this much-vexed question was unfounded and unfair. A Tory newspaper wrote: "Mr. Lloyd George's anti-England resource and inventiveness seems inexhaustible. His latest suggestion, that foreign ships should be allowed to carry more cargo than is permitted to British ships, is well up to his usual form." It is indeed hard to realise that this criticism is intended to apply to a Bill which for the first time did apply British load-line requirements to foreign ships, and that the whole question at issue between Mr. Lloyd George and his opponents was whether the application should be limited to foreign ships actually in British ports, or whether it could be extended to foreign ships outside British jurisdiction.

It must be noted that load-line requirements were not the only instance in which the Act applied British legislative requirements to foreign ships in British ports. British provisions as to grain cargoes, and, within certain limits, as to life-saving apparatus, were also extended to such ships by the Act. But in no case were the British enactments to apply to foreign ships which had come to British ports only for shelter or for any purpose other than the embarkation or landing of passengers, or the discharge or loading of cargo.

Conflicting interests had again to be reconciled in the discussion on Clause 12 of the Act. For many years the employment of foreign-speaking seamen on British ships had produced problems of far-reaching importance. By Clause 12 no one without a knowledge of the English tongue is to be employed unless he is a British subject, a lascar, or an inhabitant of a British protectorate. English seamen, by the mouth of Mr. Havelock Wilson, demanded this protection from foreign competition. Many illustrations could be given of the disasters involving loss of life and wrecking of ships which have arisen in the past from the inability of members of a crew to understand even the terse



and simple English of merchant captains. Some shipowners objected that firemen and others unconcerned with navigation should be exempted from the provisions of this clause, but the confusion arising from diverse tongues in the moment of disaster, when promptitude might mean safety, was sufficient answer to any such suggestion.

The constancy with which Mr. Lloyd George adhered to this clause showed the merchant seamen of the country that their just claims were carefully weighed and generously met. When, on the other hand, they made extravagant or ill-founded demands, they found no subserviency in his attitude. The clause of the Bill which provided for the allotment of additional space per man to the crew's quarters, went on to provide that no such additional space should be required in the case of lascars serving on English ships. It was proposed to modify this provision and to require the same accommodation for lascars as for whites, save in tropical latitudes. The amendment professed to spring solely from good-will towards our Indian fellow-subjects. In effect it would have prevented their employment altogether, and that by the imposition of conditions which the lascars themselves did not want, and which were totally unsuited to their habits and inclinations. No shadow of a case was made out in favour of the suggestion that the 70 cubic feet per lascar allowed by the Bill was insanitary or insufficient, and the criticism directed upon the amendment, including the observation that directly the air got too cold for him the lascar was to get more air-space, seems tolerably conclusive. Sir Gilbert Parker was perhaps not speaking too strongly when he said in the House that the amendment purported to deal with health and comfort, but it was in fact an insidious attempt to bring about the exclusion of men who were British subjects from employment on British ships. Mr. Lloyd George resisted the pressure put upon him. He refused to fasten so great a disability upon British shipowners in the keen competition in which they were engaged. He refused to make so handsome a present to foreign industry as would be involved in the practical prohibition of lascar labour on British ships. He described the proposal to give these lascars 70 feet in tropical waters, but 120 feet in temperate climes, as in truth amounting to "compulsory bronchitis." Mr. Bonar Law represented the voice of reason fairly when he said, in supporting the President of the Board of Trade, that it would be from every point of view disastrous if under the pretence of aiding the lascars Parliament were to injure British shipping, and therefore also British seamen.



There are two further points in the Act as it stands which require some notice. In the first place shipowners, seamen, and humanitarian critics alike were eager to enlarge the scope of the Act's operation so far as would conveniently be possible. The failure, and the reasons for the failure, to extend British load-line requirements and the like to foreign ships in foreign ports have already been noticed. Unless, however, Indian ports and the ports of Crown Colonies at least were to be governed by the same laws as are English ports, it is plain that foreign ships would have a very large number of ports to choose from, wherein they would be exempt from English requirements. The shipowners moved to extend the operation of the Bill to India and the Crown Colonies. Considerations of constitutional propriety and convenience prevented so crude a disregard of the rights of India and the Crown Colonies to be heard on the question; and the most that the President of the Board of Trade could promise on this point was to endeavour by departmental representations to secure the adoption by the countries and colonies in question of similar legislative requirements.

In the second place, Mr. Lloyd George has been charged since, as he was charged at the time of the passing of the Bill through the House of Commons, with allowing his bureaucracy to obtain a dispensing power which would enable some officials, unknown and irresponsible, to permit the provisions of the Merchant Shipping Act to be disregarded by such persons as commended themselves to the said officials. In fact, Clause 78 of the Act does give the Board of Trade a dispensing power of a kind. The effect of that clause was, however, well defined and limited by Mr. Lloyd George himself, when he described it in the House of Commons as merely providing that in a particular case, where special circumstances rendered it necessary, the Board should be enabled to dispense with some of the provisions of the Act, on condition that something else was done as effective as literal compliance with the Act, or more effective than such compliance. The clause so provides, in the safest possible language, and is an excellent example of the strength of Mr. Lloyd George's determination not to tie down a great industry to the mere dead letter of the law, but to leave every possible opportunity open for the improvement of its methods and the evolution of its science.

The Act, of which some of the main provisions have now been roughly indicated, was the result of careful consideration, of the skilful balancing of opposing interests, of indefatigable inquiry into the remotest effects of every one of its clauses. Upon its drafting and the discussions from which it emerged, moulded

in final shape, were directed the best of the abilities and the experience of all persons interested in the merchant shipping of England. Alike in the Act and in the reported debates upon the Bill, is enshrined the genius of its author for fair play and for compromise. That shipowners, as Mr. Lloyd George once said, regard the Board of Trade as a visitation of Providence against which they would like to vaccinate, is no doubt still very largely true, but that it is less true to-day than it used to be is to a great extent due to the capacity and the good-will which went to the making of the Merchant Shipping Act of 1906.

## II

The Patents Bill—Mr. Lloyd George claimed as a Tariff Reformer—His reforms in the consular service—A railway strike threatened—Mr. Lloyd George's intervention—The strike averted—The Prime Minister's tribute.

"Last session," said Mr. Bonar Law (on April 17, 1907), "the right hon. gentleman passed a Bill, a beautiful Bill, which had the effect, and was intended to have the effect, of protecting the shipping industry, not against foreign competition, but against unfair foreign competition, which is the only kind of Protection with which the opponents of the Government have any sympathy. Now in this Bill he has gone a long step further, for it undoubtedly, in principle, saps the foundation on which the whole of our fiscal system is based." The Bill to which Mr. Bonar Law paid this doubtful compliment is now the Patents and Designs Act of 1907. The provisions in it in which the Conservative party detected, or professed to detect, the flavour of Protection, were those which restricted the rights of the monopolists whom the patent laws protect. The patent laws are in truth, as Sir William Robson, then Solicitor-General, pointed out in the House of Commons, wholly withdrawn from the free play of economic forces. The privilege which a patent confers is tolerated as an encouragement to inventive genius, and the grant of such privileges is found to be essential to commercial development. The creation of monopolies is in itself repugnant to the principles of Free Trade, but statesmanship not infrequently consists in the ability to choose the smaller of two evils, and when the individual cannot obtain just treatment, or the commercial progress of the State be assured, except by bringing monopolies into existence, nobody but a sterile doctrinaire will be likely to complain of their creation. But monopolies, once created, must be jealously confined within their proper boundaries. The privilege which the law



grants to the patentee should be a shield against unfair rivalry ; there is no reason in ethics or in economics why he should be allowed to use it as a weapon against honourable competitors. Every inroad which the legislature makes upon patent rights is an advance towards Free Trade, and it is an abuse of language to call such legislation protective.

It is true, however, that superficial students of politics, if they had been accustomed to listen to preachers of the gospel of Tariff Reform, might be forgiven for believing that a measure which was so effective in producing more employment in this country was at least a timid instalment of that glorious panacea. By the time Mr. Lloyd George had finished his labours at the Board of Trade Conservative politicians and journalists had quite persuaded themselves that the fascinations of Tariff Reform had proved far too many for him and that he would emulate in yet another respect the career of Mr. Chamberlain by drifting contentedly into the Tory Party. At the beginning of 1908 (February 7) Mr. Austen Chamberlain told the Tariff Reform League that he hesitated to praise Mr. Lloyd George lest a breath of suspicion should spread about his Cobdenite orthodoxy. He was, he thought, "in practice, if not in words, far on the path of Tariff Reform." The President of the Board of Trade might yet be banqueted by that distinguished gathering as the first Minister of the Crown who had placed our industries upon a satisfactory footing.

It was not only his legislation which gave rise to these anticipations among economists of the new school. The Protectionist, inasmuch as he pictures commerce as a kind of warfare in which the belligerents pelt each other with commodities, and imports work as much havoc as shells and bullets, regards the Free Trader as an unwarlike creature who has not the spirit to retaliate when cheap food and goods are showered upon him by a relentless foe. Starting with this view of international trade relations, Tariff Reformers had no difficulty in persuading themselves that a man who was taking active measures to extend the manufacture of British goods and their sale abroad must belong to their own school of thought. The new President of the Board of Trade had taken a very important step towards that end by energetic efforts to reform our consular service. Our consuls were excellent men, but it was felt by merchants that they would be none the worse if they paid a little more attention to, and were a little better instructed about, commercial matters. The example of America showed how greatly a nation's trade could be extended by the services of consuls trained to understand what information was needed by traders at home, and how best that information



could be obtained and communicated. Mr. Lloyd George's plan was to train our consuls in the commercial intelligence department of the Board of Trade, where they would have to collect, digest, and interpret commercial data and statistics, before sending them to their posts abroad. Moreover, consular reports, interesting though they might be, had a habit of appearing so late that the information they contained was already out of date. Mr. Lloyd George arranged that all important information should be cabled to the Board of Trade, to be at once transmitted to the Chambers of Commerce interested. These were practical reforms which meant a great deal to business men, and it is not so surprising as it seemed to some of the Birmingham School that it was a Free Trade President of the Board of Trade who inaugurated them.

It is easier to see how the Patents Act of 1907 might be made to wear the semblance of Tariff Reform. One provision in which the Conservatives detected, or thought they detected, the flavour of Protection was the very useful clause which, in effect, made it necessary to the continuance of patent rights in the United Kingdom that the patented article should be manufactured "to an adequate extent" within the kingdom. The Conservative Government had endeavoured, by legislation, to attain the same object, but its enactment had remained a dead letter, partly because of the ambiguity of its language, and partly because of the heavy expense which was necessary if an aggrieved party sought to put its provisions in motion. The figures for one year will indicate the crying need which existed for such a reform. In 1906, out of 14,700 British patents, 6,500 had been granted to foreigners, and many of these were being worked entirely abroad. The most serious grievance of all existed in the manufacture of artificial dyes. Here the proportion of patents granted to foreigners was about 95 per cent., and although the dyes were imported in large quantities into this country, it was seldom that any of them were manufactured here.

A patent was not infrequently taken out in the United Kingdom by foreign manufacturers solely in order to prevent the manufacture of the patented article on British soil and its importation into this country by any one except the patentee. This was a restriction of competition, and a preposterous form of Protection for which no one had a good word, and Mr. Lloyd George's Patents Act finally ended it. The immediate result of the Act was that numbers of foreign firms at once opened works in England in which thousands of British workmen obtained employment.<sup>1</sup>

<sup>1</sup> The Act gave foreign owners of British patents a year in which to commence manufacture within the United Kingdom. Before the year was out it was reported

Other clauses in the Bill annulled some of the unreasonable conditions which patentees sometimes attached to their contracts with those who used their articles, with the effect of extending by private contract the privileges which the law conferred. The unhappy English manufacturer had no choice, until the passing of the Act, but to accede to the terms imposed by the holder of the monopoly. Sometimes he had been obliged, as a condition of being permitted to use a patented machine, to undertake that he would use no other machine which fulfilled a similar purpose. The Act made it impossible, for the future, to impose such fetters upon industry.

Such legislation could not be opposed, and Mr. Bonar Law deserves our sympathy for his frank confession that he was "only able to play the very uninteresting rôle of supporting the measures brought forward by the President of the Board of Trade."<sup>1</sup> Liberals were not seriously disturbed at the fact that the Protectionists were already gloating over Mr. Lloyd George as a destined convert to their cause, so that satisfaction was general, and when there followed upon these great legislative achievements the settlement of the railway strike, the President of the Board of Trade seemed to be marching from triumph to triumph. At the end of the year the opportunity presented itself of showing that the qualities of tact and determination which had enabled him to secure the support of the shipowners in passing his Merchant Shipping Bill did not desert him in a great industrial crisis. In October the country was upon the verge of a general strike of Railwaymen. Discontent among the employees of the Railway companies had gathered force throughout the year.

In January the Amalgamated Society of Railway Servants had supplied a list of their demands to the boards of directors. They asked for better wages and shorter hours, and, above all, they claimed that their Union should be recognised by the other Companies as it had been as long ago as 1897 by the North-Eastern.

in the Press that the following among other foreign firms were either erecting factories or negotiating for sites in England:

A German syndicate composed of three dyeing firms had purchased a site of 24 acres on the Mersey.

The Hoechst Farbwerke and Messrs. Casella & Co. were erecting works at Ellesmere Port, near Chester, for the manufacture of dyes.

A German pottery company had selected a site in Kent.

The Gillette Safety Razor company (U.S.A.) had acquired works at Leicester.

The United States Shoe Company had arranged to open a factory.

A German company of gas plant makers were searching for a suitable building site in the London area.

An American machinery firm were choosing land in the London district on which to erect extensive works. (See the "Evening News," June 26, 1908.)

<sup>1</sup> House of Commons, April 17, 1907.



In the summer of 1907 Mr. Richard Bell, M.P., the men's leader, was addressing meetings up and down the country in support of their cause, and it was already evident that the directors took up an uncompromising position. At the end of July Lord Claud Hamilton, Chairman of the Great Eastern Company, made a speech at the annual meeting of the shareholders which set out clearly the employers' case.

The case for the directors rested, above all, on the acknowledged fact that the Amalgamated Society of Railway Servants contained only a minority of the railway companies' employees in its ranks. In the Great Eastern Railway Company, for instance, only 9 per cent. of the workers were members of the Union. The Society's threat of a general strike, the directors claimed, was illusory, its allegations of unrest and dissatisfaction were unfounded; both were part of a campaign in which it was hoped that an opportune moment had arrived to wring concessions from the Companies, and, above all, the concession of "recognition." It was admitted that, in some instances, the wages might reasonably be higher, but in most grades of the service, if regard were paid to the privileges open to the men, and the pensions to which they could, if they chose, become entitled, the pay was entirely adequate. The argument drawn by analogy from other industries in favour of recognition was scouted on the ground that Railway Companies occupied a unique position; their rates and their fares were limited and controlled by Parliament, and a Railway, once created and constructed, could not be closed or moved like a private undertaking. Then there were the claims of discipline to be considered; how could it be enforced when those who were nominally the servants of the Company would, in fact, be serving other masters who, by their language, their acts, and the writings of their Press, had in the past clearly indicated the hostility of their feelings towards railway boards?

It was true that the North-Eastern Company had, since 1897, recognised the Trade Union. Its position was exceptional. Its monopoly made it one of the richest companies in the kingdom, and it was well equipped to fight the dangers of outside interference. Even so, it was alleged that, since it recognised the Amalgamated Society, there had been nothing but unrest and agitation among its staff.

"We do not intend to recognise the Amalgamated Society of Railway Servants," Lord Claud Hamilton bluntly concluded, and the shareholders broke into enthusiastic cheers.

Other bodies of directors adopted similar views. One effect of their irreconcilable attitude was a marked growth in the mem-



bership of the Amalgamated Society, which increased by leaps and bounds during the months of September and October. At the beginning of September Mr. Bell, who acted throughout with singular moderation and never displayed the vices of the agitator, announced that a ballot was to be taken among members of the Union to decide whether notices of the men's intention to discontinue their work should be given to the Companies. The ballot was to be returnable on October 2, and meanwhile Mr. Bell suggested that a conference should be held between the representatives of the Companies and of the Trade Union. This offer was peremptorily declined, and Mr. Bell continued to tour the country calling upon the employees of the Companies to stand firm in whatever decision might be come to, and openly counselling a strike. He was faced with vast meetings in every important centre of the industry.

At Manchester (September 13) a meeting of three thousand (from which many were shut out for want of room) assembled to hear Mr. Bell's promised declaration of policy. Such meetings as this were, he suggested, a sufficient answer to those who denied the existence of unrest. The executive had decided that the men would be justified in striking, and a ballot of the men themselves would be held. He warned the public that if they accepted without explanation the statistics which showed the members of the Union to constitute a small fraction of the employees they would be gravely misled. The men who were members of the Union were just those who could not well be spared—the highly skilled workers in the industrial centres—while the unorganised employees were, as a rule, working in the agricultural sections, where they were isolated and outside the ambit of trade union influence.

It was already fairly certain that the decision of the Union would be in favour of a strike, and the public viewed the prospect with alarm and concern.

The Annual Congress of Railway Servants met at the beginning of October, and endorsed without reserve the demands which had been put forward, and a manifesto which Lord Claud Hamilton issued later in the month, in which he declared that the Amalgamated Society was only making the first move in a deep-laid campaign against the existing economic order, only made strife more certain.

The situation seemed to be intractable, and men looked with curiosity and expectation to the President of the Board of Trade. It was felt that he would be enterprising, and not stand upon his dignity; the public had been pleased with him when, after a terrible railway disaster at Shrewsbury in the middle of the month,

he had, without too much regard for precedent, himself attended the inquiry which his department had held. He now took the step of calling to the Board of Trade representative masters and men, and three conferences had already been held when, at a mass meeting at the Albert Hall on Sunday, November 3, Mr. Bell announced that an enormous majority of railwaymen had declared for a strike. On the following Wednesday the delegates conferred again at the Board of Trade. At last Mr. Lloyd George had been able to draft proposals acceptable to the directors, and these the men's delegates withdrew to a private room to consider. The fact that the King was taking a very keen interest in their deliberations was communicated by Mr. Lloyd George to both sides, and no doubt had the effect of assisting the Minister's diplomacy. After an anxious day both parties left the Board of Trade a little before nine at night, and it was soon known that the strike had been averted. The compromise arrived at was of that ingenious sort which leaves it open to each party to claim that it has gained its point. The directors were not compelled in terms to recognise the Union ; at the same time they gave up their claims to exercise a despotism which, however benevolent, had been uncontrolled. Both sides agreed to accept a system of conciliation boards formed partly of representatives of the Companies, partly of representatives of the men, with a provision for final recourse to arbitration. For the time, at least, the breach was healed, and there seemed to be reason to hope that the foundations of a lasting peace had been laid. The Prime Minister was speaking for the nation when, at the Lord Mayor's banquet, he paid a tribute to "the great gifts of unconquerable hopefulness, of unfailing courage, and of alert diplomacy" which the President of the Board of Trade had brought to bear upon a situation which at one time had seemed almost intractable.



## CHAPTER IV

### I

"The mascot of the Government"—The praises of Protectionists—The Imperial Conference  
—A bereavement—The death of Mair Eiluned George, November 30, 1907.

THE end of 1907 found Mr. Lloyd George occupying a place as high as any public servant could desire in the esteem of the people to whom he ministered. He seemed, as one Conservative newspaper put it, to be "the mascot of the Government."<sup>1</sup> Men of all parties admired his work at the Board of Trade, and their admiration was tinged with regret that a man of such proved business ability and such zeal in the interests of British commerce must be expected, by reason of his successes in that department, too soon to be promoted to some more distinguished office. One might indeed have begun to fear for him the penalties which await the man of whom all the world speaks well, had it not been clear that he had gained this widespread approval without the sacrifice of a single one of the principles which had guided him throughout his political life. He had little time during the year for public oratory, and those who had been shocked by his diatribes against the House of Lords were almost beginning to forget the existence of that aggressive side of his nature some comments upon which have already been quoted in this volume. The result was that he was held out as a shining example to his colleagues by the political opponents of the Government. This had been particularly noticeable at the time of the Colonial Conference in April.<sup>2</sup> The disposition among Protectionists was to belittle the valuable discussions which took place at it by representing the Government's adherence to Free Trade as a bar to Imperial union. Mr. Asquith and Mr. Churchill in

<sup>1</sup> "Pall Mall Gazette," April 3, 1908.

<sup>2</sup> The Colonial Conference (or, as it was now named, the "Imperial" Conference) was opened on April 15.



particular were blamed for the uncompromising terms in which they declared against a policy of Colonial preference, and Mr. Churchill's statement that the door was "banged, bolted, and barred" against the taxation of food, which was no more than a picturesque enunciation of an obvious and familiar fact, was misrepresented as a heartless rejection of the offers of the Colonies. The attempts by some of the Protectionist newspapers to make mischief between the United Kingdom and the Colonies were wholly unsuccessful and would need no notice except for the fact that in the imaginary picture which these journalists drew of "little Englanders" like Mr. Asquith and Mr. Churchill deliberately snubbing the Imperial aspirations of the Colonies, Mr. Lloyd George appeared as the one member of the Cabinet who was at least conciliatory and, if not a convert, ripe for conversion, and not shutting his eyes to the light. He, it was said, did not talk of banging the door in the faces of our children; he did not offer a blank negation to the favourite projects of our guests, or if he did, he expressed it so admirably that no offence could be taken. There was certainly no foundation for suggesting that any Liberal Minister, least of all Mr. Churchill, had used language which could have affronted the most delicate susceptibilities, and it is hardly necessary to say that if it were to be considered to be the rule at an Imperial, or any, conference that it was discourteous on the part of one of its members to disagree with views expressed by another, there would cease to be much value in conferences or much eagerness on anybody's part to attend them. Neither was there any foundation for eulogising Mr. Lloyd George at the expense of his colleagues. The most that could be said truly was that Mr. Lloyd George possessed, perhaps more than any of his colleagues, the ability to say things not in themselves welcome to those he addressed so pleasantly that they sounded conciliatory and attractive, and possessed also, what is not less valuable on such occasions, a very marked faculty of listening with deference and respect to views with which he disagreed. But such eulogies were significant of the eagerness with which at this date the Tariff Reformers seized upon every opportunity to represent Mr. Lloyd George, the most successful administrator in the Cabinet, as a man whose receptive mind was forming impressions which would be as fatal in his case as they had been in that of Mr. Chamberlain to preconceived economic theories. It was no small tribute to Mr. Lloyd George that his political opponents were so anxious to capture and to claim him.

It was at this time, when critics were few, when men and



MISS MAIR EILUNED LLOYD GEORGE

The eldest daughter of Mr. Lloyd George, who died on November 30, 1907,  
aged seventeen years.

*(Photograph by Ernest Mills.)*





events seemed to be conspiring to encourage him and to lead him from one success to another, that he suffered a bereavement which, for the time, made all his public triumphs seem stale and unprofitable. He had just achieved the settlement of the railway strike when, in November, a cloud darkened the home at Wandsworth Common. His eldest daughter, Mair Eiluned, was now in her seventeenth year. Her father was devotedly attached to her, and he had ample grounds for love and pride. She had grown, in her simple home, to a girlhood graced by the chief charm which it is given mortals to possess, an abundant and unquenchable unselfishness and kindness of heart. She had inherited from her parents quite uncommon intellectual gifts. In mathematics, especially, she had, like her father before her, shown herself to possess far more than average ability. She had won brilliant successes at her school, and in examinations outside her school, and, examinations apart, even an unaffected modesty could not conceal from those who knew her an exceptional mental endowment. At the end of November she fell ill. She was suffering, it was found, from appendicitis. An operation was performed: it did not save her, and on November 30 she died.

It is no doubt well that the insistent requirements of the living should tear us, cruelly as it sometimes seems, from the graves of those we love. A busy Cabinet Minister, of all men, has no time to indulge his private grief. Hardly had Mr. Lloyd George laid his daughter to rest in the graveyard at Criccieth, when another industrial crisis called him back to the strenuous service of the State. This was a dispute in the cotton trade, and here again his intervention was successful, and won him the thanks of both parties to the controversy. So the year ended for him, darkened and saddened on its private side by a calamity which turned to dust and ashes the hardly won triumphs of his public life.

## II

A period of depression—Ministerial losses—The hostility of the licensed trade—Peckham—Mr. Lloyd George at Manchester (October 15, 1907)—The Licensing Bill—The Bishops support the Government—Mr. Lloyd George at the Queen's Hall (March 26, 1908)—Efforts for an educational settlement—The Bishop of St. Asaph—Mr. Runciman's Bill—The breakdown of negotiations—The Port of London Bill.

The next year opened inauspiciously for the Government. A falling-off in trade which Mr. Lloyd George (truly, as events proved) declared to be "a shallow depression," gave rise to general discontent. The Government's proposals for dealing

with licensing had aroused the violent hostility of brewers and licensed victuallers and urged them to unexampled efforts against the Government. Sir Henry Campbell-Bannerman's health had given way, and although he remained Prime Minister his followers had lost his active guidance and control. The loss of Mid-Devon at a by-election in the beginning of January damped the spirits of Ministerialists and was claimed by the Protectionist section of the Conservative party as a signal triumph for their cause. In March the Government suffered another loss at Peckham. This time the Tariff Reformers could not, with any plausibility, claim much credit for the Tory triumph.

The Government had now introduced its Licensing Bill, and had aroused a storm of resentment, of which Peckham became for a time the turbulent centre, among those who profited from the sale of strong drink, and, it might be added, among many of those who most suffered from it. The Government had known well enough that such a tumult would have to be faced. Men are not so altruistic that any measure which aims at reducing the sale of a commodity is ever likely to find much favour in the eyes of those who live or profit by its sale. But the new rulers of the country would have been false to their pledges and their expressed convictions if they had shrunk from grappling with the problem, certain though it was that the licensed trade, tenacious of its new privileges, would be ready to exhaust the resources of its wealth and influence against any Government which dared to tamper with them. Mr. Lloyd George was a good enough judge of the temper of the people, and while he saw the dangers to be faced, he realised that any timidity would be as futile as it would be discreditable. In 1907, addressing the annual meeting of the United Kingdom Alliance at Manchester,<sup>1</sup> he had declared that the Licensing Bill of 1908 would be the Bill of the Session upon which the Government would concentrate all its energy. He was speaking to an audience of teetotallers, and he reminded them that, while they regarded drink, even in homœopathic doses, as pernicious and poisonous, the great majority of Englishmen did not take that view. And they had got to carry them with them. But there was a vast body of people in England firmly convinced of the evil of excessive drinking, and that the time had come to deal, and deal firmly, nay drastically, with it. Anything that led them to believe that prohibition was contemplated would frighten them, and in order to commend itself to Englishmen the Bill must safeguard the moderate drinker. At the same time the Bill

<sup>1</sup> October 15, 1907.



must firmly grapple with the problem. A weak Bill would only irritate, exasperate, and stir into hostility the enemies of all action, and would disappoint the hopes of friends. The trade imagined, he said, that the Government contemplated a great attack upon their business. The Government wished to attack no legitimate business, but they were responsible for good government and good order, and anything that interfered with that it was the business of the Government ruthlessly to bring to an end.

The Bill which the Government introduced satisfied the conditions which Mr. Lloyd George had laid down.<sup>1</sup> It was moderate, but it was drastic. It was moderate in that it gave the trade terms much less harsh than had been their portion before the passing of Mr. Balfour's Act. It did not propose to restore to the magistrates at once the discretion they had previously enjoyed, but gave the licensee a term of fourteen years during which his licence could not be withdrawn without compensation. After that period elapsed, compensation was no longer to be payable if licences were withdrawn, and the way was thus to be cleared for such further control of the liquor traffic as might be decided upon. When it is remembered that a large body of Conservative opinion had favoured the introduction of a "time-limit" into Mr. Balfour's measure it is difficult to understand the uproar with which this Bill was greeted. It was denounced as a first step in Socialism, as a predatory and un-Christian measure, as a fanatical attack upon the birthright of the Englishman. Learning, like the representative of another great and powerful vested interest, to quote Scripture for their purpose, the brewers brought out placards with the pious legend "Thou shalt not steal." Here and there a reverend champion of the liquor trade was found to urge its ethical and religious claims: one even held a service of protest. But in the main the Established Church and the forces of Dissent united to support the Bill.

On the other hand, Toryism as a whole seized at the opportunity of inflicting a blow upon the Government offered by an alliance with its old supporters. But however much Toryism profited by the alliance, the victory at Peckham was a victory for the liquor trade, and it was obtained by methods of which many startled Tories confessed themselves ashamed. Never has a more cynical and shameless appeal been made to the lower appetites of an electorate. A Unionist journal<sup>2</sup> described the

<sup>1</sup> It was introduced by Mr. Asquith on February 27, 1908.

<sup>2</sup> The "Morning Post," March 23.



scenes in the streets of Peckham in language of disgust. "Vanloads of hoarse-voiced men," said the writer, "shout up and down the streets about their beer; whisky distillers' waggons ostentatiously parade the borough; exaggerating leaflets are widely distributed; licensed victuallers conduct an overlapping canvass; and paid orators make wild statements. All this may easily have the effect of discouraging electors prepared on other questions to support Mr. Gooch, for they would prefer not to be with the people who only cry 'Beer.'"

The fastidious among the Unionist electors did not, however, shrink when the time came from voting with the less delicate supporters of the trade: nor can they be blamed, unless it be for their failure to exercise a moderating influence upon their noisy allies. But the Tory victory at Peckham was not one of which any party could honestly be proud. The warfare of "the trade" in that London borough, where it was openly boasted that £5,000 would be spent, if necessary, to achieve the return of a pledged opponent of the Licensing Bill, was of a piece with its campaign throughout the country. The Archbishop of Canterbury wrote that he had received numberless letters protesting against his conduct, and the conduct of other members of the episcopal bench, in supporting resolutions of the Council of the Church of England Temperance Society in favour of the Bill. Not a few of the writers, he added, appended a declaration that henceforward they would never give a shilling in support of any religious or charitable object with which the Bishops had any connection. It is to the lasting credit of the Archbishop and his Church that he treated these threats with scorn: it was difficult, he said, to conceive of any course of action less likely to influence the opinion of the Bishops in the direction the writers desired. The directors of Allsopp and Sons decided, "with the greatest reluctance," to withhold donations to charitable objects while the Licensing Bill threatened them. At numbers of meetings up and down the country enthusiastic licence-holders openly recommended to their colleagues a boycott of those who supported the Bill.

Two days after the Peckham election Mr. Lloyd George addressed the United Kingdom Alliance at the Queen's Hall, and confessed that "in the first skirmish" the Government had been beaten, and badly beaten. But if they knew that when the division on the Bill was taken they would be driven out of power, they would rather fall than give way. He appealed to the Christian Churches to be foremost in the fight without distinction. "The more powerful and national the Church the

greater ought to be its share." He acknowledged willingly, as a Nonconformist, "the noble stand made by the Archbishop of Canterbury in the face of the sordid menace of the brewer, who thought that anybody could be bought with money, and that he had only to go to a clergyman and say 'Here is a cheque: if you abandon the children to be trampled under the heel of drink, here is a cheque for your church.'"

True to his old desire for a compromise upon the Education question, he went on to implore religious men of all denominations, who now found themselves assailed by a common foe, to prepare for the struggle by sinking their own differences. It was, he said, a sad misfortune that at the very moment when every Christian community ought to be putting forth every effort and endeavouring to face this great national peril, they should be engaged in civil war. Let them compose their differences: they were not above being adjusted. Let the great Church, which was the official guardian of the moral interests of the people, take the lead. There was not a Nonconformist who would not follow that lead gladly in this great crusade, for we had reached a crisis in the history of the nation, one of those fundamental conflicts between the lowest appetites of the people and their highest instincts, a conflict upon the result of which depended for generations to come the question whether the race should ascend, and continue to ascend, towards a purer, a clearer, and a lighter firmament.

It seemed not improbable that this aspiration would be fulfilled. Shortly after the Queen's Hall speech the Bishop of St. Asaph introduced into the House of Lords an Education Bill which seemed likely to provide a peaceful solution of an unhappy controversy. The Bill was not accepted as it stood either by the Archbishop of Canterbury or by Lord Crewe on behalf of the Government, but both the Archbishop and Lord Crewe made it clear that they were sincerely anxious for a settlement, and ready to make considerable concessions to that end. On Lord Lansdowne's motion the Bill was adjourned *sine die*.

A spirit of conciliation was abroad: the Licensing Bill had brought into an alliance men who pursued the same great ends by divergent roads, and taught them to know each other's worth and to respect each other's principles. It is one of the saddest facts of contemporary political history that during the year 1908 a settlement by consent of the Education question, or, to speak with greater accuracy, of the problem of the religious training of children taught at the public expense, came so near to success and yet was doomed to failure. The Government's second Edu-



cation Bill, introduced by Mr. McKenna, was read a second time in May. When Mr. Runciman succeeded him at the Board of Education, he took advantage of the growing willingness for compromise, and busied himself for many months of the year in efforts to devise a settlement upon which all but the extremists could unite. As a result of his efforts, Mr. McKenna's Bill was withdrawn, and a new Bill introduced, which was read a second time in November. It was understood that the new proposals represented a "balanced settlement," assented to by the Archbishop of Canterbury and the majority of the Bishops, as well as by representatives of the Nonconformist Churches. The fact was that an agreement had been arrived at, by a process of give-and-take on either side, upon the vital questions of "right of entry" and the transference to public control of denominational schools, and upon the limits within which "contracting out" of the Bill was to be permitted. But unfortunately the exact financial terms, both for contracting out and for the transfer of denominational schools, had not been agreed upon in advance, and the Church demanded a State grant in respect of children in "contracted out" schools which was so large as to make it certain that the great majority of Church schools would remain outside the national system. So it came about that upon what seemed at first sight to be a matter merely of a few shillings the whole future of education in the country was put in issue. The Archbishop wrote to Mr. Runciman that he "from the first contemplated that the contracting-out schools must, under the new system, be the exception and not the rule." But the terms the Church now demanded would have made it the rule for Church schools, and against this the Government felt bound to guard, "both in the interests of a national system of education, and in justice to those who had made such large concessions on the other side."<sup>1</sup> A great problem remained unsolved: an opportunity of a lasting settlement which may never recur had been missed. It can be claimed for Mr. Lloyd George that his voice had always been upon the side of compromise, and upon this question no policy save one of compromise has any merit.

Between the second-reading debate on the Licensing Bill and the introduction of the Budget, a second reading was given to the measure which was the last of Mr. Lloyd George's departmental triumphs at the Board of Trade. This was the Port of London Bill,<sup>2</sup> by which, as in the case of merchant shipping, he

<sup>1</sup> Mr. Asquith in the House of Commons, December 7, 1908.

<sup>2</sup> Second reading, May 6, 1908.



succeeded in solving a problem which had baffled a Tory Government.

Lord Milner described the Bill as "the best way out of a very complicated and difficult position," and Mr. Bonar Law renewed the congratulations which he had offered on other occasions. "During the time the right hon. gentleman was at the Board of Trade," he said, "the Opposition on almost every occasion supported and agreed with his proposals. That I attribute entirely to the fact that in his administration of the Board of Trade, he treated every question, as every trade question should be treated, on its merits."

### III

Sir Henry Campbell-Bannerman's resignation—Mr. Asquith the new Prime Minister—Mr. Lloyd George becomes Chancellor of the Exchequer—A chorus of congratulations—Mr. Lloyd George's Welsh predecessors—The election at North-west Manchester—Death of Sir Henry Campbell-Bannerman—Mr. Lloyd George's tribute—The late Prime Minister's greatest achievement—Self-government for South Africa.

In April Sir Henry Campbell-Bannerman, unable to struggle longer against his illness, tendered his resignation, and Mr. Asquith became Prime Minister.

The post of Chancellor of the Exchequer was offered to Mr. John Morley. He declined it, and would have relinquished altogether the burden of a position in the Cabinet had not the House of Lords provided a means of escape from some of the more harassing tasks of office. The public choice had already fallen upon Mr. Lloyd George, and it was now ratified by Mr. Asquith. Mr. Lloyd George thus became Chancellor at the age of forty-five, amidst a chorus of approval which must have been almost unprecedented in its unanimity. The "Times" congratulated Mr. Asquith upon the construction of the Cabinet, which it considered to be at once stronger and more compact than its predecessor.<sup>1</sup> He had strengthened it by striving to introduce new blood, and he had made it more compact by his redistribution of offices. Both purposes were subserved at

<sup>1</sup> The changes in the Cabinet may be summarised as follows:

|  | 1905                              | 1908                  |
|--|-----------------------------------|-----------------------|
| <i>Prime Minister</i> . . . .                      | SIR HENRY CAMP-<br>BELL-BANNERMAN | MR. ASQUITH           |
| <i>Chancellor of the Exchequer</i> . . . .         | MR. ASQUITH . . .                 | MR. LLOYD GEORGE      |
| <i>First Lord of the Admiralty</i> . . . .         | LORD TWEEDMOUTH.                  | MR. McKENNA           |
| <i>Secretary for the Colonies</i> . . . .          | THE EARL OF ELGIN                 | THE EARL OF CREWE     |
| <i>President of the Council</i> . . . .            | THE EARL OF CREWE                 | LORD TWEEDMOUTH       |
| <i>President of the Board of Trade</i> . . . .     | MR. LLOYD GEORGE                  | MR. WINSTON CHURCHILL |
| <i>President of the Board of Education</i> . . . . | MR. McKENNA . . .                 | MR. RUNCIMAN          |

once by the appointment of Mr. Lloyd George to the Chancellorship. "No better man," the "Times" wrote, "could have been found for the post, however free Mr. Asquith might have been in his choice." The more popular organ of Conservative opinion was not less emphatic. "Mr. Lloyd George's career," said the "Daily Mail," "is the best and fullest justification of this selection. He has proved in office that he possesses in exceptional measure that practical business capacity, self-restraint, initiative, and large open-mindedness which, allied with the faculty of conciliation, are required of one who will control the national finances."

Mr. Lloyd George was the third Welshman to hold the high office to which he had now attained, and his two predecessors could hardly be described as typical of their race or as being imbued with a spirit of nationalism. For the first we have to go back to 1783, when Sir John Aubrey, a Glamorganshire baronet, and a member of an aristocratic family, went to the Treasury from the Admiralty. The second was Sir George Cornwall Lewis, also a baronet, of Hampton Court, Radnorshire, who succeeded Mr. Gladstone as Chancellor of the Exchequer in 1855, and served under Lord Palmerston till the latter's defeat in 1858. Whether Sir John Aubrey could speak in Welsh is doubtful: of Sir George Cornwall Lewis it has been said that, although he represented the Radnor boroughs for eight years, "there was nothing characteristically Welsh in his ideals, temperament, or political aims, and his knowledge of Welsh was only colloquial."<sup>1</sup>

Mr. Winston Churchill's promotion was the occasion of a by-election in North-west Manchester, and Mr. Lloyd George made three speeches during the campaign which should have reassured anybody who had been influenced by the doubts cast by Tariff Reformers upon his economic orthodoxy.<sup>2</sup> The turmoil of the election contest was at its height when the news came that the retired Prime Minister's end had come. "Since we met last night," Mr. Lloyd George said to a great meeting he addressed on April 22 at the Manchester Coal Exchange, "the cause of human progress has sustained a deep and sad loss. Our great leader, Sir Henry Campbell-Bannerman, has passed away—one of the kindest hearts and one of the wisest heads that ever filled the high position of chief counsellor to his Sovereign in this country. It is only those who have been associated closely with him for years in the great work of Liberalism in this country who can realise what a loss it is to every great cause that he

<sup>1</sup> See Dr. Vyrnwy Morgan's "A Study in Nationality," page 448.

<sup>2</sup> See vol. iv.,





RIGHT HON. WINSTON CHURCHILL.

*(Photograph by Elliott & Fry, Ltd.)*





should have passed away. He was a man of deep, tender sympathies, a true friend of the people, a man who, whenever he was in doubt, always dropped on the side of the people. It is a greater loss than the people know, and one that they will realise more and more, that we should have lost his sapient and tender guidance in such a crisis in the history of our cause."

It is perhaps pardonable to pause a moment in the story of a busy life to reflect that the greatest of all the achievements of the dead statesman had closed a dark chapter in our history with a romantically happy ending. We have seen how he was reviled during the days of the South African war with a bitterness hardly less than that of the fury which assailed Mr. Lloyd George. Both men, minor differences apart, had pursued in their several ways the same policy, or at least had acted upon the same conviction. They had both been branded as pro-Boers. It fell to the Cabinet over which Sir Henry Campbell-Bannerman presided, and of which Mr. Lloyd George was a member, to make us all pro-Boers by a courageous act of generosity, inspired by a deep and sincere faith in the value of free institutions. It is easy to render lip-service to the principle that free institutions and self-government will engender in their beneficiaries gratitude and contentment and a sense of duty and responsibility: it is a harder thing to summon up the courage to stake the future upon faith in that principle, as the history of England's dealings with Ireland has shown only too plainly. There is little in the history of the period with which we are dealing which can be said to be outside the radius of existing controversy, but the grant of self-government to South Africa, with the federation in which it has resulted, may surely be considered as an achievement which all but a very few would now acknowledge to be the greatest and the noblest triumph of imperial policy witnessed for many generations. It would be wrong to deny to Liberal Imperialists one iota of the full credit they deserve for their participation in that policy, but one may say without injustice to them that the "pro-Boers" and the "little Englishers" can claim to share in it at least equally with them. What is certain is that those professed Imperialists who had made their Imperialism an asset at the polls and cheerfully accused of disloyal treachery men whose patriotism was not less ardent than their own; who had known, as Mr. Lloyd George put it, how to run the risks of war, but not the risks of peace—that these men had refused, with genuine apprehension, to take any share in Sir Henry Campbell-Bannerman's policy. "I refuse," said Mr. Balfour with fine scorn, "to accept the invitation so kindly offered that

we on this side should make ourselves responsible with the Government for what I regard as the most reckless experiment ever tried in the development of a great Colonial policy,"<sup>1</sup> while Lord Milner, even in 1908, adhered to the view that the grant of free institutions to the Transvaal was "a hollow fraud."

"Knowing as I do," Mr. Churchill said after the statesman's death, "the whole history in detail of the policy which has created loyal self-governing States instead of conquered territories in South Africa, I say that almost every important movement in that policy was taken on the personal initiative of the late Prime Minister." It has seemed right, therefore, by way of epilogue to the story of Mr. Lloyd George's activities during the war, when he had been consistently lampooned by the Tory Press and on Tory platforms as the accomplice, or even the instigator, of Sir Henry Campbell-Bannerman, in a disloyal intrigue, to make at least a passing reference to the peaceful triumph of his leader, in which there fell to him the glory and the happiness of sharing.

#### IV

The Budget of 1908—Old Age Pensions—Mr. Chamberlain's prophecy fulfilled—The Tory attitude—The Bill in the House of Lords—Lord Lansdowne on the advantages of War over Pensions—The Tariff Reform alternative—"Broadening the basis of taxation"—Further problems for Liberalism—National Insurance—Mr. Lloyd George in Germany—An interview in the "Neue Freie Presse"—A holiday in Wales.

When Mr. Asquith became Prime Minister he had of course already prepared the Budget which made memorable his short career as Chancellor of the Exchequer, and so it came about that the annual budget statement was made<sup>2</sup> not by Mr. Lloyd George but by the head of the Ministry. In 1907 Mr. Asquith had promised that in the following year he would lay down the foundation of a system of Old Age Pensions. That promise was faithfully kept. By wise and provident finance he had been able to ensure for many thousands of the aged poor a certain shield against pauperism and privation. To Mr. Lloyd George fell the honour, and, as some would say, the burden, though there could be no burden that he would more gladly have borne, of keeping up the provision which his great leader inaugurated. "My hope is," a great statesman had said fourteen years before,<sup>3</sup> "that under another administration and under another Chancellor of the Exchequer we may return to a time of prosperity, to a

<sup>1</sup> House of Commons, July 31, 1906.

<sup>2</sup> May 7, 1908.

<sup>3</sup> December 6, 1894.



period of surpluses, and my hope and belief is that these surpluses may be used in order to stimulate the provision of those old age pensions, which will do more, I believe, than anything else to secure the happiness of the working classes." The prophet who saw so true a vision of the future was Mr. Joseph Chamberlain, but it need hardly be said that he had not looked to find in a Liberal statesman the hero of the golden age which he foresaw. The good intentions with which Mr. Lloyd George always credited the member for West Birmingham had not been fruitful of anything but promises or, to use the word which Mr. Chamberlain preferred, proposals. The one difference between the Unionist Government and their Liberal successors, as Mr. Lloyd George said in the House of Commons on May 24, was that whereas the Liberal Government made a colossal effort to redeem its promise (a promise, we may add, not made till after the election), the former Government had not redeemed its promise up to the very hour of its demise. "It left the promise, on the strength of which it secured the suffrages of the majority of the people of this country, to be redeemed by us."

On May 28 Mr. Lloyd George introduced the Old Age Pensions Bill, and on June 16 it was read a second time without a division, after an amendment for its rejection, moved by the sternly individualistic Mr. Harold Cox, had been defeated by 417 votes to 29. It was perhaps not to be expected that the Opposition would greet with enthusiasm this singularly successful effort of a financial policy which they had declared to be effete. The fact that at the very time that the money was provided for pensions the sugar tax was reduced by more than half, while in three years Mr. Asquith had reduced the National Debt by forty-seven millions,<sup>1</sup> made it difficult for them to accuse the Government of prodigality, and reduced them to the necessity of foreboding terrible things for the future. In the discussions of the Old Age Pensions Bill they took up an attitude that was remarkable. While they refused to accept any responsibility for it, and complained especially of its "non-contributory" character (to use a word which has become familiar in the jargon of politics), they moved and supported amendments which, if carried, would have had the effect of largely increasing the number of pensioners and the cost of the scheme to the Treasury. These amendments were most of them defensible on every ground except that they made demands upon the Treasury which it could not in this first stage of a great experiment undertake to fulfil. There

<sup>1</sup> As opposed to a reduction of twenty-eight millions in the three years 1903 to 1906.

seemed to be some reason for the belief that the Unionist Party were deliberately intending to force the supporters of the Government into the position of having to refuse, upon the sordid and prosaic ground of lack of means, a large extension of the boon which they were providing. In other words, those whose policy in regard to pensions had only resulted, while they were in office, in "no bread," were now indignant at the parsimony of the Government in offering only "half a loaf."

Only one of the members of the Opposition front bench voted against Mr. Harold Cox's motion for the rejection of the Bill: it is interesting to observe that this was the future leader, Mr. Bonar Law. Three of them—Sir Edward Carson, Sir William Anson, and Earl Percy—supported Mr. Cox. The rest abstained altogether from voting. In Committee Mr. Lloyd George accepted one important amendment. The Bill provided for a reduced pension in cases where two or more pensioners were living together in the same house. Mr. Barnes, a Labour member, moved to omit this provision. Mr. Lloyd George accepted the amendment, with a necessary caution that his concessions could go no farther. Was this the thing which the Committee most wanted done? he asked. He pointed out that Lord Robert Cecil was an ardent supporter of every amendment, because he would like to overload the ship and sink it. A few days later,<sup>1</sup> a wholly impossible proposal to include all persons in receipt of poor-law relief was supported by the whole force of the Opposition, including Mr. Balfour. Mr. Lloyd George reminded them that the two Committees which had been appointed by the Unionist Government to consider the question had proposed not merely to exclude those who were in receipt of poor-law relief for the time being, but all who had received it for twenty years before the application. By that proposal, 420,000 persons would have been excluded: the Government were excluding 270,000, and yet it was said that the Government were submitting harsh and impossible proposals to the House of Commons.

On the third reading of the Bill,<sup>2</sup> Mr. Balfour "gave a hint to the House of Lords," as Mr. Lloyd George put it, "which, coming from him, was in the nature of a command." The Bill, Mr. Balfour said, did not satisfy the demands of those who claimed the right to old-age pensions, and, on the other hand, it so burdened and crippled the national resources that it might be found impossible to meet other obligations not less pressing, not less connected with the safety of the State than the well-

<sup>1</sup> June 29.

<sup>2</sup> July 9.



being of its poorest members. But it was upon the Government that the responsibility must lie.

There were still those who believed that the House of Lords would take the heroic course of rejecting altogether a measure which they regarded as sapping those frugal instincts which are so much commended in the deserving poor by their wealthy patrons. The "Spectator," with magnificent courage, declared that even the immediate Dissolution which would follow had no terrors. "We should like nothing better," its editor wrote with an indifference to worldly things bred by long and lonely communing with his own conscience in solitudes beyond the reach of common men, "than to see an immediate Dissolution on the pensions question, coupled with the denial of the Lords to take part in the work of legislation." However, their Lordships' House remained deaf to this advice to appeal to the people upon a policy of "no pensions for the aged, more power for the Peers." Lord Lansdowne adopted Mr. Balfour's suggestion, and came to the conclusion that "the wisest course" was "to throw upon His Majesty's Government the sole and entire responsibility for a measure which we regard with great apprehension, and which, we fear, may have far-reaching and disastrous effects upon the future of the country."

It is a frequent complaint by cynical critics of party government in this country that no difference of ideals separates the two parties. According to this view no deep cleavage of principle, but merely superficial divisions, unimportant and factitious, lie between Liberals and Tories. It is easy enough to find arguments for such a view, partly because Conservatism seldom ventures abroad naked and unashamed. One passage in Lord Lansdowne's speech will serve better than much argument to show that when the principles of Toryism are baldly stated they are at once seen to be different as night from day from those which animate the policy of Liberalism. The South African war seemed to Mr. Lloyd George an evil and a disaster which had doomed or delayed many projects of social reform at home. Liberals who had supported it thought it at the best a necessary evil. Lord Lansdowne, while it is not to be suggested that he was blind to the horrors inseparable from war, boldly and frankly confessed that he thought the expenditure upon the South African war a better investment than expenditure upon old-age pensions. His exact words deserve quotation :

This Bill will cost the nation as much as a great war would cost. But there will be this difference, that you can pay off your war debt by making sacrifices in order to do so. But this is a liability from which I do not believe



the country will ever be able to emancipate itself. There is this further difference—that a war, terrible as are its consequences, has, at any rate, the effect of raising the moral fibre of the country, whereas this measure, I am much afraid, is one which will weaken the moral fibre of the nation and diminish the self-respect of our people.

Jeremiads similar to those of Lord Lansdowne were uttered by Mr. Austen Chamberlain in the House of Commons. His complaint was that it was “not honest finance” to offer to the poorer classes of the country the great boon of old-age pensions, coupling with it relief from part of the taxation they now paid. When such a proposal, essentially confined to the poorer classes, so costly, so vast in its character, was made, while the Government had a right to call on any class in the community to contribute to this great social reform, it was the bounden duty of responsible statesmen to call on those who would be the beneficiaries under the new scheme to make some contribution towards the expenditure instead of teaching them that they could not only receive this boon without contributing towards it, but receive it in conjunction with relief from taxation which they had to share with others who would be excluded from any benefit under the scheme.

This, it may be said at once, was a candid pronouncement, and it may be conceded, further, that the policy of tariff reform would have taught the poorer classes the hard lesson that few things are to be had in this world without paying for them with an unrelenting severity which would have left nothing to be desired. The Conservative policy, which had been urged in an amendment to the Finance Bill of the year, at the beginning of June, was to “broaden the basis of taxation,” a “hollow and sounding generality,” as Mr. Asquith said, to which most people would be prepared to give “an academic assent.”

Mr. Lloyd George had asked the Opposition to be kind enough to tell the Government how they suggested it should be done. Not certainly by a tax on manufactured goods, which, for revenue purposes, was unproductive. He asked Mr. Bonar Law, who had been “a perfectly straightforward Protectionist all through,” whether it was his idea of broadening the basis of taxation that you should tax wheat and meat and dairy produce. Mr. Balfour complained that the question was irrelevant.

The right hon. gentleman says it is not relevant. If it is not relevant, what does broadening the basis of taxation mean? If the right hon. gentleman will say now that he does not mean that, I will drop that argument at once. But he does not say that he does not mean that. It

is really not fair to the people of this country. At any rate, if their bread and their meat and their dairy produce are to be taxed, I think they ought to be told about it. I do not think it is fair to go on from year to year shirking it, not saying a word about it, organising a conspiracy of silence on your side, telling them "You can talk at large about broadening the basis of taxation, but never mention wheat; laugh at particulars when they are demanded"; and then when you come in to bring in a stiff duty on the whole lot. It is not fair, it is not straightforward; and therefore I ask again—because this is their amendment—What does it mean?

He now answered the complaints of the Peers and of Mr. Chamberlain that the Government had made no provision for the burden which they were imposing, and had "given no intimation of the way in which they proposed to make good the gap that yawned before them between expenditure and revenue."<sup>1</sup> Did Mr. Chamberlain mean, he asked, that the Government should have brought in a Bill to impose a burden of ten millions upon the country when they did not require more than one or two millions? What did he mean by an "intimation"? Surely he knew, as a former Chancellor of the Exchequer, that the last thing which a Chancellor of the Exchequer could do was to "intimate" that he would tax a certain commodity. The answer to the lugubrious talk which suggested that we were at the end of our resources was that it was not true. Taxation was much less than it was when Mr. Chamberlain left office, and the income which had passed under survey for income tax had increased to the extent of 220 millions a year. During that period our taxation had increased by about one-tenth, but the taxable resources of the country had increased proportionately. To talk as if we were at the end of our resources was not doing justice to the power of the country, and it did harm to this extent, that it did encourage foreign countries to imagine that we had got to the end of our power and had to choose between social reform on the one hand and national safety on the other. The country was a long way from that option. To say, when the Government proposed to give seven millions to the old people of the country, that they must either leave them to starvation or else abandon the country to the mercy of Germany or any other Power, was wild talk, bearing no relation to fact.

A chance phrase which he used in Committee when challenged, as he so often was, to say how he would provide for the additional expenditure, long remained part of the stock-in-trade of the Unionist orator, and passed definitely into the dictionary of political phraseology. "I have no nest-eggs," he said (June 29);

<sup>1</sup> Mr. Austen Chamberlain in the House of Commons, July 25, 1908.



"I am looking for some one's hen-roost to rob next year." This "bad jest," as he afterwards called it,<sup>1</sup> was unfortunately too picturesque to be forgotten, and if a number of casual students of politics were to be asked to quote from memory a single sentence from his speeches, it is probable that most of them would reproduce in some not quite unrecognisable form that innocent remark from an impromptu speech.

The Old Age Pensions Act is now so firmly built into the structure of the State, and so universally praised, at any rate in public, that it is easy to forget that its reception was not unanimously cordial. It has now fallen into its proper place, and is regarded as part of a comprehensive plan devised to keep poor people outside the reach of the poor law and at the same time to fortify the nation where it is most exposed to danger—in the homes and in the bodies of its poorest citizens. The Workmen's Compensation Act was an admission that men of the working classes in the great majority of cases could not and, as a rule, certainly would not, provide for themselves, either by putting money aside or by insurance, against the manifold accidental risks incidental to their employment. By putting the burden of compensating the workman for accident upon the employer, the Compensation Acts of 1897 and 1906, in effect, though not in words, put upon the employer an obligation to insure his workmen. The Old Age Pensions Act recognised that multitudes of aged persons in this country, leading respectable and hard-working lives, are unable without disregarding the decencies of life and neglecting the interests of their families, to provide for their own old age, and so granted pensions to those over seventy without exacting any contribution from them. Thus the working man, who, as a rule, necessarily lives from hand to mouth, was partly secured against two dangers which had always menaced him. He would no longer be driven into the workhouse because the bodily vigour which was his only asset had been taken from him by an accident at his work or by the approach of old age. These two pieces of legislation further recognised the duty of the nation as a whole—in other words, of its citizens, according to their means—to join in bearing the burdens of those among them who were poorest, most unprotected, and most exposed to risk. When once such a duty had been undertaken, a wider field was opened to legislative activity. Old age and accident were not the only spectres which haunted the family of the workman. Not less appalling was the fear of the sickness

<sup>1</sup> In his speech on the presentation of his portrait to the Law Society, January 30, 1909. See vol. iv., p.p. 645-648.



of the bread-winner, by which in a few weeks a home might be broken up and the scanty savings of a lifetime dissipated. There remained, worst almost of all, the dread which every workman knows of a day when from bad trade, or an employer's failure, or any of the manifold vicissitudes which threaten him, his precarious employment is abruptly terminated. In Germany a benevolent bureaucracy had already dealt drastically with these evils, and in the summer of 1908 Mr. Lloyd George decided to go there in order to inquire for himself into the working of the German scheme.

His visit was unofficial, but he was not permitted by his German hosts to remain altogether silent or unobserved. He was everywhere received by Government and people alike with great friendliness and cordiality. At Bremen he met the Vice-Chancellor of the Empire, who came up from his holiday especially to see him, and entertained him at a banquet. Throughout Germany he found the tone of the Press to be quite friendly, and the discussions of the relations between the two countries which arose incidentally out of the visit were all conducted with very great good temper.

In every part of the country he saw both employers and employees, and he visited offices both in the provinces and in the capital. He was tremendously impressed, he said afterwards, with the finished character and perfection of the whole machine. He was confirmed in his view that for old people, over seventy years of age, the non-contributory system of pensions was best. It had been one of the objects of his visit to see whether a contributory system could eventually be grafted on to the non-contributory system in regard to invalidity and sickness. As to that, he said, he had come to no definite conclusion, as he wished to investigate the workings of the contributory system in Belgium and Austria as well as in Germany. He had found, however, that both employers and workmen throughout Germany were satisfied with the system of contributory insurance, and all agreed that it had greatly raised the level of health and life in Germany.

He found in Germany a depression in trade certainly not less serious than that at home. At Hamburg many of the stocks in the shipbuilding yards were empty, because there were no ships to build. With this depression there went general complaints that prices had gone up throughout Germany during the last twenty years, so that from being one of the cheapest countries in the world it had become one of the dearest.

Another fact which greatly impressed him was the effect of

the ownership of railways and forests by the various German Governments. Half the revenues of Prussia, he had discovered, was derived from its railways, and throughout Germany the forests and the royalties on mines contributed largely to the revenue.

One incident of his continental tour served to provide the newspapers with copy, and Conservative politicians with a text for their speeches, during the dull holiday season. He allowed himself to be interviewed by a reporter of the "Neue Freie Presse" of Vienna, and in the course of the interview warmly advocated an Anglo-German understanding. He was at once attacked in the Press and on the platform on the ground that he was trespassing upon Sir Edward Grey's preserves. A few days after the interview Mr. Winston Churchill, in a speech at Swansea, had vigorously scouted the theory that a war between England and Germany was inevitable, and one Tory paper, putting two and two together with a result which was more ingenious than arithmetically accurate, imagined a conspiracy between Mr. Winston Churchill and Mr. Lloyd George to undermine the position of the Foreign Minister: a dark suggestion which Mr. Churchill was prompt to denounce. Its authors had overlooked the fact that a fortnight before in the House of Commons Sir Edward Grey had himself spoken upon the subject of Anglo-German relations in language not substantially different from that of his two colleagues.

The supposed conspirators had many opportunities of conferring upon Mr. Lloyd George's return, when they both travelled together to Wales in order to attend the National Eisteddfod. The Bishop of St. Asaph was in the chair when Mr. Lloyd George addressed this great gathering of Welshmen of all parties and all denominations. Afterwards the two Ministers were the Bishop's guests, and it was Mr. Churchill's fortunate experience to be taken by these two patriotic Welshmen on a motor tour through Snowdonia.

## V

Lords and Commons—The rejection of the Licensing Bill—A meeting at Lansdowne House  
—The prospect of taxation of licences—The privileges of the Commons—Mr. Lloyd George at Liverpool—The artillery in position.

Events were moving towards a definite conflict between the Lords and Commons. Mr. Lloyd George, it is no secret, had taken the view that upon the Peers' rejection of the first Education



Bill, the Government should at once have gone back to the country. He said as much at Liverpool at the end of 1908.<sup>1</sup> If once they accepted a refusal at the hands of the Lords, he said then, the Lords were encouraged to go on. The country began to imagine that the Government did not mean business, and their own friends were discouraged.

For that very reason I was one of those in favour of fighting the issue the moment the challenge was given. I said so in 1906, and at the beginning of 1907, but you must remember that the rank and file of the party were not of that opinion. They said, "Here you have a great Parliament, and you should not dissolve at the instance of the Lords."

The Peers, emboldened by their success in wrecking the educational projects of the Government, contemptuously rejected the Licensing Bill. At a mass meeting held in the Albert Hall in June Mr. Balfour had used the words, "If this Bill were to pass—which Heaven forbid," and it was pretty generally felt that he regarded the House of Lords as the chosen instruments of Providence, and that the Peers would accept this piece of parenthetical piety as an injunction not lightly to be disobeyed. It was useless for Liberals to urge that the Bill had the support of both Archbishops, and of almost the whole episcopal bench. "It is no good quoting Bishops to me on this matter," said Mr Balfour, although upon the question of education he had paid respectful attention to their wishes. It was of no avail to point to the fact that the House of Commons had considered the measure laboriously for six whole weeks, or to urge that the minority against it at its final stage was but a sixth of the whole House. It went for nothing that men so little open to the charge of fanaticism in the pursuit of reform as Lord Rosebery, Lord Milner, and Lord Ritchie voted that the Bill should be given a second reading. As Mr. Asquith said afterwards with perfect truth, they might as well have stayed at home. On the day before the second reading was to be taken in the House of Lords, Lord Lansdowne summoned a meeting of the Unionist Peers (five-sixths of the whole House) at Lansdowne House. In less than two hours it had been decided that the Bill was to be thrown out forthwith. This nobleman "arrogated to himself a position which no king had claimed since the ominous days of Charles I. Decrees are issued from Lansdowne House that Buckingham Palace would not dream of sending forth."<sup>2</sup>

The Liberal Government had now been forced into a position

<sup>1</sup> December 21, 1908.

<sup>2</sup> Mr. Lloyd George at Liverpool, December 21, 1908.



in which it could not remain without humiliation, from which it could not escape except by staking all upon a conflict with the House of Lords. The strength of the Peers' position lay, as they believed, in this : that a dissolution of Parliament would probably weaken and possibly dislodge the Government, while the spectacle of the acquiescence of a Ministry, unprecedentedly powerful in point of numbers, in the repeated rejection of its principal measures, was as certain in the end to weary and disgust its supporters as it was to hearten and comfort its foes.

It was certain, then, that the Government would have to fight for its own existence, and for the existence of Liberalism itself as a practical creed ; and reflection upon the exigencies and the opportunities of the situation showed pretty plainly on what battlefield the war would be fought. The methods of licensing reform most commonly advocated were two, and were alternative. One was a scheme of reduction, safeguarded by a "time-limit" ; the other a system of high taxation. The former plan had been preferred by the Government, but the latter had many warm adherents. Among them were Mr. Joseph Rowntree and Mr. Arthur Sherwell, a second edition of whose well-known book upon "The Taxation of the Liquor Trade" appeared, opportunely enough, at the end of 1908. A time-limit, as they pointed out, involved a temporary loss of economic freedom which necessarily entailed a heavy loss to the country. It seemed probable, then, that the Government, baulked of its object in one direction, would seek it in the other, especially as the imposition of taxation upon licences in the Budget of 1909 would be, by constitutional rule and practice, outside the reach of lordly interference.

The question was whether constitutional rule and practice would be regarded as of any validity by the Lords if the Budget were in effect to substitute a new means of reduction of licences for that which they had rejected. The question of the privileges of the Commons had quite recently given rise to differences of opinion between Lords and Commons. A number of the Lords' amendments to the Old Age Pensions Bill, which was, in the parliamentary phrase, a "money Bill," had been declared by the Speaker to be breaches of the Commons' privilege, and the Government had refused to advise the House to waive its privilege. The Peers, who did not regard the question of old-age pensions, any more than they had regarded the Trades Disputes Act, as "favourable ground" for a contest with the Commons, acquiesced with what by this time could only be regarded as unusual meekness. They contented themselves with passing a resolution of protest :

That this House, although not insisting upon its amendments to the Old Age Pensions Bill, does not accept the reasons offered by the House of Commons or consent that the said reasons should hereafter be drawn into a precedent. The Bill is, in the opinion of this House, not one for granting aids or supplies to His Majesty in Parliament, and involves a question of policy affecting the treatment of necessitous persons in which both Houses are concerned, and with which this House has been in the past accustomed to deal.

Here we see both parties to the constitutional struggle anxious to lose no weapon which would assist them in the impending conflict; the Commons jealously guarding their ancient rights, the Peers eager to protest against any extension of them. In the matter of the Licensing Bill, which Lord Lansdowne managed throughout with strange tactlessness and a singular contempt for even the semblance of impartiality, the Peers had lost a point by admitting, and putting forward as one of their excuses for rejection, the fact that amendments to the Bill would infringe the financial privileges of the Commons. Even without such an admission, however, it was as clear as any constitutional principle can be in a country where the constitution is largely a code of honour rather than a code of law, that it was entirely beyond the power of the Lords to lay hands upon the Budget. The reason was that, as the privilege of the Commons forbade them to amend it, so the necessity of carrying on the King's Government and long constitutional tradition enjoined the impossibility of rejecting it. It was not difficult then to prophesy, and it was eagerly anticipated, that the Government would make the Budget their battering ram against the House of Lords. Few believed that there was any real prospect that the Peers would venture upon its rejection, though there were some Tories who boldly advocated such a course. "We fear," a Conservative newspaper said in November, "that the Government will not have the courage to fight, that they dare not take up the challenge thrown down to them ostentatiously by the House of Lords. They may take refuge in what is known as 'high licence.' . . . If they attempt to destroy by taxation property which they dare not assail at a general election, we hope the Lords will again take the bold course, and throw out their Budget."

Mr. Lloyd George could only, like other Cabinet Ministers, declare that a conflict was inevitable, and bid his followers bide a favourable moment, but there was no doubt that, as was to be expected from his record, he was among those within the Cabinet who most favoured bold courses. In a great speech



at Swansea in October<sup>1</sup> he had warned the Peers that if, "through the mischievous obstruction of an irresponsible and selfish assembly," the Government failed "to extend a larger measure of protection to the homes of the people against the inroads of drink" and to carry other reforms upon which the hearts of Liberals were set, then they "would invite the electorate of the country to arm them with the authority to use the most effective means for removing this senseless obstruction from the path of progress." Now that the mischief was done he declared (at Liverpool) that the Government would no longer stand "the usurpation of King Lansdowne and his Royal Consort in the Commons." They were entering upon a war. War meant generalship. Generalship meant choosing the best method and the best moment to win.

A few days earlier Mr. Wyndham had advocated from the same platform a Budget which would tax imports of corn, of meat, and of timber.

If that is the issue, and if the Lords want to stake their privileges upon it, by all means let them do it. We shall give them the chance.

[A voice: "When?"]

Whenever they take it. The Budget has got to go on some time next year, and if they want to put the alternative of taxing bread, by all means let them do it.

Mr. Asquith, for his part, declared that the Budget of 1909 would stand at the very centre of the Government's work. By it they would be judged in the estimation both of the present and of posterity. In the phrase which Mr. Lloyd George had used a year before, "the artillery was being manœuvred into position." Liberalism, and not only Liberalism but the very existence in the constitution of the principle of democracy, had in sight a struggle which might well change, for good or evil, the whole course of the political history of England.

<sup>1</sup> See vol. iv., pp. 638-644.



## CHAPTER V

### I

Mr. Lloyd George's first Budget—Current views of the Chancellor of the Exchequer—His work at the Treasury—Honours and distinctions—Speech to the Law Society—A naval scare—"Dreadnoughts"—"We want eight"—The Croydon election.

**M**R. LLOYD GEORGE had seen in the mighty victory of 1906 the promise of a new order, a peaceful revolution. It is not for us, who are spectators of a continuing struggle—and some of us, according to our ability and inclination, even active participators in the conflict—to seek to judge the importance which a remote posterity will attach to our victories or defeats. We may be sure of this, that in spite of the daily Press, there are few divisions in either House of Parliament which are truly epoch-making, few measures introduced which are charged with ruin and disaster to the country on the one hand, or with an unbounded store of blessings on the other, and few general elections in which the people of this country pronounce the final doom of an injustice or the lasting vindication of a truth. It does not need much historical research to teach us that it has been the lot of many natives of these islands in the past, as one may conjecture that it will be in the future, to pass from the cradle to the grave without having lived through a single crisis in the history of their nation; and it needs no more knowledge than is common to all who occasionally glance at the placards of our newspapers to enable us to prophesy that, however dull and uneventful the future course of politics may be, we shall be assured periodically that a crisis is upon us. It would ill become us, then, to be too sure that we have seen the birth of a new dispensation, the more so because it is exceedingly difficult to fix a birthday of this kind. Supposing it to be admitted, for instance—and so much probably would be admitted by most—that the last few years have seen vital changes, not in the constitution of the country alone, but in the whole impulse and direction of

politics, who shall say where that change began, or how much it portends? The best that the commentator can do who is dealing with events so recent and so fresh in the public mind is to bring into the foreground, and concentrate attention upon, events which at least, by the common consent of his contemporaries, seem to mark a stage, to close an old and open a new chapter in the history of our country.

Few certainly will hesitate to say that the Budget of 1909 and its political consequences did open such a chapter; or will deny that in bringing about those consequences the Chancellor of the Exchequer played a part at least as prominent as that of any other statesman. There are some, conservative by instinct or by tradition, who have seen in that Budget an attempt, contrived with elaborate cunning, to inveigle the Peers into a conflict with the masses upon an issue which gave the fullest scope to demagogic arts. In their minds Mr. Lloyd George stands as the leader of a conspiracy in which his fellow-conspirators were either willing accomplices or half-reluctant dupes. Others, in whom Liberalism is mingled with a large measure of prudence, saw in the Budget a measure of reform so courageous as to be almost audacious, and yet not passing the limits of a proper caution. Such men were reassured by the measured language of Mr. Asquith, of Sir Edward Grey, of Mr. Haldane (as he then was). After all, they reasoned, most of the taxes were not novel in principle, and of those that were, the chief, namely the land taxes, were only the fulfilment and realisation of a principle which not Radicals only, but the more progressive among Conservatives, had long and consistently advocated. The more timid among these thought of Mr. Lloyd George as an indiscreet and dangerous advocate of causes innocent in themselves; the bolder spirits among them felt that, though he might go further in his opinions and in the vigour of his language than they would care to venture, he was an ally who could ill be spared, to whom something might be forgiven. Then there were the Socialists, forming a growing, and not negligible body of opinion, and their tone was patronising. They professed to regard the Chancellor of the Exchequer as an apt pupil, making progress with steps as yet uncertain, but to be encouraged, along a path which they had long been pointing out. And finally there were those who were proud to look upon him as the leader who knew better than any other the temper of the democracy and would direct it and guide its best impulses without pandering to its passions, a man himself sprung from the people, putting into clear language their unexpressed aspirations, and burning with sincerity of purpose. If his language



was forcible, if it even seemed extravagant, it was because the abuses he attacked were so flagrant, and were fostered by a system of such iniquity, that calm and measured language was inadequate to do them justice. After all, great reforms cannot be carried through by men whose only thought is to reassure the timid. Their calm logic will serve a very useful purpose, but it is at least doubtful whether it will give the impetus and the momentum to a cause which will lend it force to sweep away the massed obstructions which impede it.

To put the case in another way, one may say that while, of course, Conservatives were united in attacking Mr. Lloyd George with protests which, if they did not match in force, often easily surpassed in violence, the speeches against which they were raised, Liberals and progressive politicians were divided in their opinion about the wisdom, if not of his policy, at any rate of some of the arguments with which he urged it. It was said very plausibly by some that the Budget, if it were only recommended in mild and moderate terms, would be judged upon its merits and seen to be in fact a moderate way of providing for exceptional expenditure. It was argued that if language was used which made the Budget appear to be a great and startling reform in the interests of the majority, then, while it was idle to hope that all those to whom the appeal was made would be captivated, those at whose expense the great things seemed to be promised would be aroused to an opposition which might easily wreck the whole project. A speech made to a mass meeting of working men is only heard by the working men, but it is read in the City and in Belgravia. That was one side of the question, but there was another. The work of the reformer is not complete when the timid have been comforted and the over-zealous have been restrained. If a great popular movement is to be guided to a successful issue, enthusiasm must be aroused, and you do not arouse enthusiasm by saying that your proposals are very little things after all. It may be astute to slip past your powerful opponents unobserved, but the man who boldly challenges and defies them, face to face, though he may be taking a course of less safety, will certainly gain a more devoted and impassioned following. It is too early to pass a final verdict upon the Chancellor of the Exchequer's part in the great constitutional struggle upon which the country was now entering, but it is impossible to doubt that in these turbulent years of his political career he was winning, for good or evil, a permanent place in the roll of those who have left upon our history a lasting and indelible impression.



During the early months of 1909 Mr. Lloyd George made few appearances upon public platforms, and was silently engaged upon the tremendous task before him. He was very soon popular with the officials at the Treasury. If they had a complaint of him it was his extraordinary and sometimes baffling mental agility, and it is not, I think, the revelation of a secret to say that he won from them the sobriquet (not uncomplimentary, as nick-names go) of "the Welsh goat," because, as they explained, "he leaps from point to point." There is a very common delusion among people of imperfect information that Cabinet Ministers as a class are merely figure-heads of their departments, and that a Chancellor of the Exchequer in particular has little to do except learn by rote the figures with which a laborious Civil Service provides him. Without in any way detracting from the high credit due to permanent officials, who do a great work for very inadequate recognition, it is safe to say that the influence of these valuable public servants may very easily be over-estimated. A weak, an incompetent, or an idle Minister, and even sometimes a Minister who, without labouring under any of these defects in a flagrant degree, has no original ideas and is content to follow the line of least resistance, may indeed leave his department to the control of his officials, and their very competence may tempt him to do so. But a Minister who is bent on following a new track across ground hitherto uncleared, though he is in the happy position of being able to command, from a loyal and hard-working following, the most skilful and untiring spade-work, must rely upon his own initiative, and must be ready to meet objections upon points of detail which are only the more serious because they are not raised for the purpose of obstruction and come from men highly instructed in their own branch of economic science. Mr. Lloyd George's task, then, though it was perhaps small by comparison with the task which may some day fall to a Protectionist Chancellor (who will have to teach his officials to burn the books from which they have learned their economic gospel, and to renounce the faith in which they have been nurtured), was sufficient to take up all his time. "I do not believe," he said in the third-reading debate, "that there has ever been a Budget presented in this country which has been more carefully examined both before and after its introduction. I think I can say with sincerity that I do not believe a Chancellor of the Exchequer and his officials ever took a longer time over the preparation of a Budget before it was introduced, and I am perfectly certain that no Cabinet ever subjected one to such a protracted examination." While he pursued his labours unremittingly, rumour, which had

made him the most prominent figure on the stage of politics, was busy with his name and with the great topic of the Budget.

The year that had passed had brought honours thick upon him. In January he received the freedom of Cardiff, in March the freedom of Carnarvon. In June the honorary degree of D.C.L. was conferred upon him by the University of Oxford. On that occasion he was, in accordance with custom, introduced by the Public Orator in sonorous Ciceronian phrases. He was described as "*vir valde impiger, perfervido Celtorum ingenio ardens, Cambria parva attamen forti in imperium magnum missus*" (a man full of energy, inspired by the fervid genius of the Celt, whom gallant little Wales had sent to an office of wide authority). In November he succeeded Sir John Puleston, his old rival in the Boroughs, as Constable of Carnarvon Castle. At the beginning of 1909 his brother solicitors of the Law Society honoured him by hanging upon their walls a portrait, subscribed for by the members, for which he had given sittings to Sir Luke Fildes. He took the opportunity of endeavouring to reassure those who were living in dread of a predatory Budget. He had heard it suggested, he said, that he regarded the coming Budget as a sort of punitive expedition against the tribes which had been molesting the Government. It was, he thought, hardly necessary for him to disclaim such an intention. "If a Chancellor of the Exchequer undertook the framing of a Budget in a retributive or vindictive spirit against any class, against any party, I say here that he is not merely unworthy of his high office, he would not be fit to be appointed an exciseman in a country village."

In spite of this disclaimer there was in many circles considerable apprehension, which the Opposition not unnaturally fostered, of the coming Budget. The Chancellor's opponents had not by this time much to say of his achievements as the careful administrator and the conciliator of divergent interests at the Board of Trade. It was what they regarded as the other and baneful side of his character which was now uppermost in their minds. They remembered that he had been strongest of all his colleagues in his denunciation of the House of Lords, and most eager to challenge them to mortal combat. They recalled his long attachment to the policy of what was called compendiously, and not very accurately, "land taxation." They thought him likely to be extravagant in directions where economy was most desirable, and parsimonious where Imperialism demanded a lavish expenditure. Men who had held out a policy of the imposition of tariffs as not merely a valuable means of providing for our growing expenditure, but the only hope of our country, whose



encumbrances, they professed to believe, were growing in proportion as her resources and her powers dwindled, were pledged in advance to condemn any proposals which provided the large sums required without any departure from the principle of free imports. Free Trade finance, they said, was bankrupt; land taxation was a chimera; and the unfortunate Chancellor's only resource would be an attack upon the licensed trade, and a crushing addition to the burdens of the wealthy and the middle classes.

The position with which the Chancellor of the Exchequer was faced was certainly serious enough. Old-age pensions were a heavy commitment. There was this consolation about the expenditure on pensions—that not a shilling of it was wasted. The taxpayer's contribution, in so far as it goes to swell the pension fund, will bring happiness into some one's life far more certainly than many donations to charitable funds. When the modern State takes toll of its wealthiest inhabitants for the benefit of their poorer fellows, then even those of the rich who feel that they are being robbed may admit that the Government, like a new Robin Hood, is moved by a chivalrous desire to redress inequalities, and not by any sordid motive. A Chancellor of the Exchequer of Mr. Lloyd George's sympathies was not likely to lament the burden of the pensions. There was another demand upon the public purse, not less insistent, which he could not be expected to meet with the same cheerfulness. The needs of the Navy are never likely to be lost sight of by any Government in this country, but a politician, if such there be, who delights in naval expenditure for its own sake, will never, one may hope, be either First Lord of the Admiralty or Chancellor of the Exchequer.

In the early months of 1909 other issues were for a time forgotten by the Opposition in an excited demand for an increased programme of shipbuilding. It was rumoured that the Cabinet was divided upon the question of the amount of the Naval Estimates, and it was supposed that Mr. Lloyd George and Mr. Winston Churchill were the leaders within the Cabinet of the party of retrenchment. When the Estimates were published they showed an increase of two and three-quarter millions, and the speeches of Ministers in the House (the Chancellor of the Exchequer took no part in these debates) showed that the increased activity of Germany in shipbuilding had created a serious situation with which the Government was in no mood to trifle. The invention of the "Dreadnought" had introduced a new standard of the relative positions of the naval Powers, and the Government proposed to build, in addition to ships of other



classes, four new battleships of the "Dreadnought" type. It might be necessary to go even beyond this. The Government asked for power, if the activities of other countries continued or were extended, to make preparation for the rapid construction of four more "Dreadnoughts" by the purchase during 1909 of their munitions and equipment, so that the ships might be laid down in April 1910.<sup>1</sup> Mr. Balfour, speaking for the Opposition, denounced these proposals as utterly insufficient. The Conservative Party demanded, as a minimum, eight "Dreadnoughts," and a vote of censure on the Government was moved in the House of Commons on the same day that a by-election was being fought at Croydon. Like Peckham, Croydon became symbolical. Peckham had shown, as in caricature, the Tory view of temperance reform. The orators of Croydon, though indeed they were influenced by more respectable sources of emotion than beer, were led by their overheated patriotism into a good many excesses of language. The couplet which Mr. Wyndham had the credit of inventing, "We want eight and we won't wait," was sung in an incessant chorus, and an intelligent foreigner, if he had not made sufficient allowance for the excitement common to by-elections, might have supposed that the residents of this London suburb were eager to pour out their money upon an immediate war with a great and friendly Power.

Enthusiasm for shipbuilding manifested itself more discreetly but still vehemently among more sedate and cautious patriots. At a meeting in the City in April, which was addressed by Mr. Balfour, the Lord Mayor declared, wisely enough, that we should maintain, "regardless of cost, the position of a strong man armed." Such a declaration, cheered to the echo, might reasonably be construed as an invitation to the Chancellor of the Exchequer to place upon the wealthy classes of the community a full share of the burdens which naval expenditure did so much to swell. Altruistic as the invitation might seem, it was founded upon common sense and upon the realities of the situation, for it is the man with "a stake in the country" who has most to fear and most to lose from foreign invasion, and if naval expenditure be regarded, as it commonly is, as a species of insurance, it seems to follow that citizens should insure in proportion not only to their means but also to the magnitude of the risk they run. This much at least the Chancellor of the Exchequer had a right to expect, that the same sentiment which moved men who did not hide their patriotism under a bushel to cheer vociferously every proposal for another "Dreadnought," and to clamour, as the

<sup>1</sup> This further expenditure was asked for and sanctioned in July 1909.

Navy League and other such associations clamoured, for an ever-increasing preponderance of ships, would rally to his aid when the time came for the prosaic but not less necessary business of payment. But such an expectation turned out to be too optimistic for this imperfect world.

## II

The Budget introduced, April 29, 1909—The Chancellor's long speech—He breaks down—Megan and Mr. Balfour—The reception of the Budget—The charge of vindictiveness—Protests from the City—Lord Rothschild intervenes—A rebuke to a deputation—Alternatives proposed.

The Budget which had excited so many hopes and fears was introduced on April 29. The House was crowded in every part; the Peers' gallery in particular was uncomfortably full. So great was the eagerness to hear the speech that the usual long string of questions to Ministers had been so whittled down that in a few minutes they were answered and over. At three o'clock Mr. Lloyd George rose.

The most important passages of the speech which he delivered may be read in subsequent pages,<sup>1</sup> and it is not intended to give any analysis here of the Budget proposals or any detailed account of the course of the debates. We are concerned rather with the broad issues which it raised, and with its effect upon the constitutional conflict which its author helped to direct. For once, a speech of Mr. Lloyd George gained little from his delivery of it. His arduous labours had told upon even his resilient temperament and vigorous physique: his throat had been giving him some trouble, and his voice was not at its best. Quite early in the speech members were crying to him to "speak up," and he had to ask their indulgence.

When he had been speaking for two hours it was evident that his voice was beginning to fail him altogether. At about five o'clock he was seen to be too fatigued to go on, and by the general consent of a sympathetic House there was an adjournment of half an hour to enable him to recover his strength. One of the incidents of that half-hour may best be told in the words of his daughter Megan. It was just after the Budget speech, and Megan was the guest of a friend of the family at Hindhead. She was taken by her hostess to see the wonders of the Devil's Leap and the Devil's Punch-bowl, and was interested, as children are, to learn more of the personage who had given his name to

<sup>1</sup> See vol. iv., pp. 649-677.





MR. LLOYD GEORGE AT PLAY  
*(Photograph by Ernest Mills.)*





these wonders. "The devil is very, very wicked, isn't he?" she asked. Her companion agreed, and after a pause she asked another question. "Then does the devil belong to the Tory Party?" To this I am afraid that Megan's hostess also assented, with I know not what justification in theology. There was a longer pause before Megan's doubting comment followed: "But you know Mr. Balfour gave daddy a cup of beef tea when he was tired."

It was eight o'clock when Mr. Lloyd George finally sat down, so that, allowing for the interval, he had spoken for four and a half hours. He seemed utterly fatigued, and yet the next morning he was playing golf at Walton Heath, and his partner in the game tells me that, far from showing traces of fatigue, he did the first hole in "bogey" and played well during the whole round.

The Budget proposals were not at once understood or appreciated. It was soon obvious, however, that they would be assailed with violence by all save one of those sections of the community on which the new burdens chiefly fell. Landowners cried out that the rights of property were invaded, and that the thin end of the Socialistic wedge was being driven in. Brewers and distillers complained that their trade would be ruined. The wealthy lamented, not so much for themselves, as for the hapless widows whom the increased tax on unearned income would reduce to penury. The increased death duties were attacked with the same arguments and epithets which had done duty before when Sir William Harcourt introduced this prolific source of revenue. Only the poorer class of elector, upon whose favourite luxuries, tobacco and beer, the hand of the tax-gatherer descended heavily, refused to join in the general lamentations. The leaders of Trade Unionism gave the Budget their support, and, so far as the attitude of the rank and file among working men could be judged from by-elections and otherwise, it was from the beginning one, if not of enthusiasm, of open-minded tolerance.

The burden of the attack upon the Budget was that it had fulfilled the worst forebodings of the opponents of the Chancellor of the Exchequer, who had looked for penal and vindictive taxation. One of the criticisms of his Budget speech had been that in it he had introduced not one Bill only, but three or four, and all of them highly controversial measures. There was some truth in the criticism. The House of Lords had made the road to the statute book difficult and often impassable for any measure that seemed revolutionary to Tory eyes, and consequently for any measure that Liberals believed to be a striking and useful

reform. If the Licensing Bill had not been rejected, higher licence duties would not have been introduced, and in that sense the increase in those duties might be regarded as a piece of temperance legislation, a tax intended not solely to raise money but also to advance the Ministerial policy. But it was a perversion of the facts to speak of the duties as retributive or vindictive. If in any sense they were a retribution it was a retribution which those who wrecked the plan preferred by the Government had brought upon their own heads, because they had forced a Cabinet with a great majority behind it into the position of having to elect between carrying out no part of its temperance policy, or carrying it out in the only way left open to it.

The suggestion that the Budget taxes were vindictive was well answered by the Chancellor in the second-reading debate (June 9). Thirteen millions of money were being raised by taxation: three millions (according to the original proposals) were taken from the Sinking Fund. The sum raised from licences and from land came to three millions. The remaining ten were raised by death duties, by income tax, by whisky, and by tobacco. Could it be suggested, as to these ten millions, that they were vindictive taxes? Did not Liberals save money? Did they not pay their extra twopence income tax upon their unearned increments? Had they not to bear death duties? Did not Liberals smoke? Nine-tenths at least of his supporters in the Carnarvon Boroughs took their share of the tobacco tax, and took it very kindly. He was told that the whisky tax was vindictive, and told also that it was hitting Scotland and Ireland harder than England. But surely he was not supposed to have a grudge against Scotland: Scotland had been faithful, Scotland was Liberal; and as to Ireland, however much members from Ireland might dislike the Government, they hated the Opposition still more.

This left only the licence and land taxes for consideration. Taxation was already imposed upon licences in almost every civilised community, and in some cases upon a scale which made the proposals of the Budget look extremely modest. The Government had put on threepence per barrel, and the brewers all over the country were laying emphasis upon the fact that the consumer would have to bear the burden. If the prices were put up to the extent which had been announced, the Budget taxes would mean a fortune for the trade. Every one knew very well that the brewers did not mean to pay this money. They could not have it both ways: they could not come to the House of Commons and say, "Behold how we are robbed," and go on



the platform and say, "Behold how your beer, tobacco, and whisky are higher!"<sup>1</sup>

As for the land taxation, it was, as Mr. Pigou, the Cambridge Professor of Political Economy, well put it, rather "a tax on windfalls" than a tax on land. Was it, Mr. Lloyd George asked during the second-reading debate,<sup>2</sup> against the great agricultural landowners that the Government were supposed to cherish vindictive feelings? Out of a total of thirteen millions the increase on the burdens of agricultural land was £880,000. On the other hand the effect of old-age pensions, and of the national expenditure upon the roads, would, at a moderate estimate, relieve the rates on agricultural land to the extent of fourpence in the pound. The tax upon the increased value of urban land he was able to justify by an appeal to an impartial tribunal, and even to the past dicta of members of the Tory Party. Twenty-five years before a Royal Commission on the housing of the working classes, of which King Edward, then Prince of Wales, had been a member, had reported in favour of a rate of "say 4 per cent. on the selling value of land, in the neighbourhood of populous centres, which the owners were keeping out of the market." Lord St. Aldwyn, in discussing Sir William Harcourt's death duties, had appealed to that distinguished statesman to invent, if he could, means of taxing the increased value of landed property in the neighbourhood of towns. "In an endeavour of that kind," he had said, "I will support the right hon. gentleman as readily as any one, because I think it would be fair." Lastly, the Unionist "Campaign Guide" of 1904, extracts from which Mr. Lloyd George quoted to a delighted House of Commons on the third reading, had actually commended the policy of an increased duty, and had declared, with regard to the aspirations of its authors, that "no policy could be more fatuous than to meet these aspirations, when moderately pressed, with a blank non possumus or with a cry of 'Robbery!'"

However, the cry of robbery was loudly raised from April onwards. It is a saddening reflection that those who had cried out most loudly for increased expenditure upon the Navy, those whose desire for "eight" had been most urgent and most vocal, seemed now least inclined to shoulder the necessary burden. This was the gravest difficulty of the opponents of the Budget, that they were unable to challenge any of the objects of the vast expenditure to which the country was committed. There

<sup>1</sup> See the Chancellor's speech in the House of Commons Committee of Ways and Means, May 4, 1909.

<sup>2</sup> June 9.

is always a strong case for the advocate of retrenchment if he can show any direction in which economy can be practised. But the opponents of the Budget could not, consistently with their professions and their principles, advocate a smaller expenditure upon the Navy, and they did not venture, upon the platform at least, to grumble even at the expenditure on old-age pensions. The Budget further undertook to raise money for financing far-reaching schemes to provide against the evils that befall a workman and his family when sickness attacks the breadwinner, or when he is temporarily out of work owing to the fluctuations of trade or fashion. Here again no voice was uplifted in criticism. The Government were thus able to start with the admission that every penny of the money raised was required for the urgent necessities of the State.

Taxation is never likely to be popular, but the working man, although he had no liking for taxes on his beer and his tobacco, began to see that, at any rate, he would get something for his money. Nothing, not even the most powerful speeches of his supporters of the Budget, impressed this more firmly upon his mind than the demeanour and the arguments of some of its principal opponents. Wealthy landowners all over the country announced that, in view of the taxation which was in prospect, their subscriptions to charities or to football clubs must be withdrawn or docked. City magnates met and denounced the Budget in exaggerated language.

On June 29 nearly a thousand of the "merchants and traders of the City of London" held a meeting of protest. Lord Rothschild and Lord Avebury were among the speakers. They were ready, they protested, to pay their fair share, but they objected to the particular proposals of the Government, and did not feel it to be any part of their duty to suggest alternatives. The hardships to which the struggling merchants of the City would be reduced were well expounded by Sir Alexander Henderson, who was another of the speakers. He suggested the instance of a man of sixty with the modest fortune of £150,000, and he was able to show that this unhappy man, by the time he had insured against the death duties, so as to provide that the whole of his £150,000 should go to his children after him, and had paid his income tax and super-tax, would have to be content with an income of £4,600 a year. Such arguments, however, though they might well arouse the compassionate sympathy of Lord Rothschild, had the disadvantage of not appealing with any force at all to that large section of the public to whom an income of £4,600 appears to be something beyond the dreams of avarice.



Mr. Lloyd George, for his part, received the rebukes of Lord Rothschild with a gaiety of demeanour which horrified City men. "We are having too much Lord Rothschild," he said the day afterwards when, with the Prime Minister, he was entertained at a luncheon at the Holborn Restaurant. We were not to have temperance reform in the country. Why? Because Lord Rothschild had sent a circular to the Peers to say so. We must have more "Dreadnoughts." Why? Because Lord Rothschild said so at a meeting in the City. We must not pay for them when we had them. Why? Because Lord Rothschild said so at another meeting. We must not have estate-duties and a super-tax. Why? Because Lord Rothschild signed a protest on behalf of the bankers to say he would not stand it. We must not have a tax on reversions. Why? Because Lord Rothschild, as chairman of an insurance company, had said it would not do. We must not have a tax on undeveloped land. Why? Because Lord Rothschild was chairman of an industrial dwellings company. We ought not to have old-age pensions. Why? Because Lord Rothschild was a member of a committee that said it could not be done. "Now really," he concluded, "I should like to know, is Lord Rothschild the dictator of this country? Are we really to have all the ways of reform, financial and social, blocked simply by a notice-board, 'No thoroughfare. By order of Nathaniel Rothschild'?"

Other distinguished persons besides Lord Rothschild found that Mr. Lloyd George could not be lectured or brow-beaten with impunity. No Minister has ever been more willing to receive deputations than he, and during the discussions of the Budget he was constantly receiving the representations of the various interests affected. What was more, he had shown a desire for conciliation not less strong than had distinguished him at the Board of Trade, and in the House of Commons his readiness to accept suggestions backed by argument was responsible for very many amendments to his Finance Bill. On July 15 he received a deputation from the so-called British Constitutional Association, a body which had taken under its charge the interests of the landowners of the country. The deputation consisted of some very distinguished gentlemen, among them Lord Balfour of Burleigh, the Earl of Cromer, Lord Dalkeith, and Lord Hugh Cecil. It was soon obvious that their object was not to reason with the Chancellor of the Exchequer, but to condemn him. They addressed him as if he were a public meeting: some of the speakers, in fact, did not even trouble to go through the form of addressing him, but treated the other members of the deputa-



tion as an audience, and made their speeches to them. The discourtesy of this procedure was too much for Mr. Lloyd George's equanimity, and he told the august members of the deputation in plain terms what he thought of their demeanour. Other deputations, he said, who had waited upon him had presented facts only: that day a few speakers had done so, but most of them had confined themselves to general statements, and had merely repeated arguments which had been used over and over again in the House of Commons. If deputations were to be conducted in this fashion, there would be an end of a valuable means of political instruction.

Lord Rothschild had refused, upon high constitutional grounds, to put forward any alternative proposals, and it was another difficulty which the critics of the Budget had to face before the public that they were, for the most part, barren of suggestions, if we except those offered by the Tariff Reformer. But Tariff Reform was not a card which at the moment the Tory Party was very anxious to play except in selected constituencies. The defeat of 1906 was too fresh in their memories to leave them any hope in that direction, and, besides, an undue insistence upon the merits of the Birmingham policy would have alienated the Free Trade Unionists and the moderate Liberals terrified by the "socialistic" proposals of the Government whom Toryism was eager to welcome into its ranks.

Lord Avebury did indeed produce in the columns of the "Times" an alternative Free Trade Budget. At first sight it seemed to produce the required amount without recourse to such taxation as Lord Avebury deemed socialistic, but a closer examination showed that the result had been achieved by the simple process of attributing to the income of 1909-10 the yield from the income tax and indirect taxes which could not possibly be received until the year 1910-11, so that under Lord Avebury's Budget March 31, 1910, would have found the country with a deficit of no less than three millions sterling. Lord Cromer ventured upon a proposal which was hardly more hopeful. His suggestion was that the sugar tax, which Mr. Asquith had reduced, should be reimposed to the full extent, and for naval expenditure he was driven to suggest a larger addition to the National Debt than Mr. Lloyd George had ventured to propose.

## III

The Budget in the House of Commons—Its early unpopularity—The views of "moderate Liberals"—The "Westminster Gazette"—Mr. Lloyd George's public speeches—The Limehouse speech—Sir Edward Carson's indignation—Lord Lansdowne and the robber-bird—Sir Edward Grey's criticism—"George and Churchill"—The Budget as a temperance reform—The House of Lords—Decision to reject the Budget—The Debate: Lord Ribblesdale and the Archbishop of York on the Chancellor.

The Budget proposals were before the House of Commons for seventy-two days in all, with several all-night sittings. There were over 550 divisions. The closure was seldom moved, the "guillotine" was never applied.<sup>1</sup> Mr. Lloyd George's reluctance to apply the closure cost him and his followers dear: it brought upon them many exhausting hours of close confinement which a Minister less scrupulous for unfettered debate might have escaped. Some of his colleagues in the Cabinet, and the majority probably of his supporters on the back benches, thought that he might with advantage have been a little less lenient with his opponents. But he had a natural dislike of weapons against which he had, in Opposition, often cried out, and was anxious not to weaken the force of the authority behind the Budget by giving any ground for complaints that it had been carried through a "gagged" House of Commons. Upon the third reading of the Finance Bill, when November had come and found the faithful Commons still at their task, he was able to claim that his proposals had at least been carefully scrutinised.

I think it is a matter for congratulation that so contentious a measure as this has been carried through the House of Commons without the application of the guillotine, and without very much closure. Only on eight or nine occasions the line closure was applied. That is a matter for congratulation on the part of every man who is interested in the House of Commons as an assembly for legislation. Now the guillotine has become an essential part of our machinery for every contentious measure. I

|  | 1909.             | Number of days. |
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| <sup>1</sup> The following time-table may be of interest :             |                   |                 |
| Budget Speech . . . . .  | April 29          | . 1             |
| Budget Resolutions (in Committee of Ways and Means) . . . . .          | May 3-21          | . 10            |
| Budget Resolutions Reported (in Committee of Ways and Means) . . . . . | May 24-26         | . 3             |
| Finance Bill introduced and read first time . . . . .                  | May 26            | . —             |
| Finance Bill Second Reading . . . . .                                  | June 7-10         | . 4             |
| "    " In Committee . . . . .  | June 21-October 7 | . 42            |
| "    " Report Stage . . . . .  | October 19-29     | . 9             |
| "    " Third Reading . . . . .   | November 2-4      | . 3             |



always regretted it. I thought it was very undesirable from the point of view of the House of Commons. We decided to make the experiment of carrying this Bill through without anything in the nature of guillotine closure, and I am very glad to think, as a member of the House of Commons, that, although we are sitting here in the month of November, we have, at any rate, succeeded in doing that.

During the first two or three of all these weary eight months a general impression existed that the Budget had affected the Government's position for the worse, or had at any rate not done anything to enhance the prestige of the Ministry in the country. But the unintentional assistance which wealthy enemies of the Budget had given to its progress had been reinforced by the determined efforts of a well-managed organisation. The "Budget League," in the summer of 1909, had its orators at every street corner, and the crowds who gathered to listen to their eloquence were far larger and far more interested than those which the ordinary political meeting can collect except when an election is in progress. On the other side the Budget Protest League sought to arouse the populace against the Chancellor's proposals. By the end of July it was apparent that the supporters of the Budget were getting the better of the contest. It is customary to regard Lord Northcliffe's journals as pretty reliable barometers of popular, or, at any rate, of middle-class feeling, and most people thought it significant when, at the beginning of August, the "Times" announced that the tide was turning in favour of the Government, and on the same day the "Daily Mail" came out with a glowing prophecy of the benefits which would accrue to the country from the Development Fund for which Mr. Lloyd George's Budget had made provision.

In the days when the Budget seemed most unpopular, Mr. Lloyd George stood with unflinching pertinacity by its main provisions. He had to face not only the storm of obloquy from the other side which is the common lot of reformers, but also the milder, but often icier and more fatal blast of criticism from candid friends. There has been no more loyal or better instructed ally of Liberalism than the "Westminster Gazette," yet the "Westminster Gazette" suggested early in the Budget campaign that, as a matter of tactics and of expediency, it would be wise to jettison the land taxes. They were not intended to raise a vast amount of revenue, and so they could be spared. If the Government persisted with them, it would rouse the growing hostility and distrust of the landed classes, and probably not get its Budget through without submitting it to the arbitrament of



a general election. Cautious Liberals were a little afraid of a policy which would provoke the Second Chamber, where great landlords held almost undisputed sway, to precipitate a conflict which must be as long and uncertain as it would certainly be momentous. Why not, then, leave the whole question of land valuation and land taxation for a more favourable opportunity, and deal with the lions in the path in detail and one by one? The other Budget taxes, including those which aroused the fierce animosity of "The Trade," were enough and more than enough to be going on with. Thus it was argued in the lobbies, and urged privately upon the Chancellor of the Exchequer, with much plausibility. Fortunately, as it seems now, he turned a deaf ear to these counsels of prudence. There is no doubt that the more timid of his advisers were in a small minority in the Liberal Party, and the proposals which he was being asked to drop had done more than any part of the Budget scheme to reawaken the spirit of enthusiasm which had swept over the country in 1906 and had since begun to flag. On the ground of expediency (and it was on no other ground that the course was urged upon him) it seemed probable then, and seems fairly certain now that we are able to see at least the early consequences of his policy, that nothing was to be gained by a renunciation. By throwing over the land taxes he would have lost many of the supporters, and those the most zealous and wholehearted, whom his proposals had won. There was little or no reason to anticipate that the Lords would be less likely to reject the Finance Bill if the land clauses were eliminated from it: their conduct in the case of the Licensing Bill showed that they were hardly less prejudiced arbiters where it was a question of liquor than they were where land was concerned. So far as mere electioneering went, the most dangerous opponents of the Government were the brewers, and these would not be bought off by the sacrifice of the land taxes. There was nothing, then, in the exigencies of the situation to persuade the Government to give up taxes which they had adopted as part of their settled policy.

It was some time before the Chancellor of the Exchequer could find leisure to throw into the scale the power of his personality and rhetoric, but when he did it was to some purpose. At the end of July he addressed a meeting of 4,000 at the Edinburgh Castle, Limehouse. No speech of recent times has been so much reprobated, and it is worth while inquiring what basis of fact there is for the accepted Conservative view that the orator of Limehouse descended to depths of vituperation and abuse never before sounded by a responsible Minister of the Crown. This

much is certain, that no one who heard the Limehouse speech can have thought at the time that it would arouse in those whom it attacked the sincere feeling which in fact it no doubt evoked that they were much wronged and unfairly abused men. It is doubtful whether the most sensitive of Dukes, if it had been his good fortune to be present in the hall, would have been offended at the speech as he heard it. It is not very clear, when the speech is read in cold print, upon what passages in it reliance is placed by those who have sought to exalt it upon such an unenviable pinnacle among polemical exercises. When they are challenged they often point to the phrase about "blackmail"—"a system of this kind is not business, it is blackmail"—which Mr. Lloyd George used in reference to Mr. Gorrings's lease. It is a fact worth recording, and one that does not, I believe, appear from most of the reports of the speech, that the word "blackmail" was in the first instance interjected from the audience, and then taken up by Mr. Lloyd George, so that it was not a prepared and calculated utterance. That, of course, would be no defence at all, if in fact the phrase was abusive and improper. But one has only to look at the speech to see that the epithet was applied not to any person, but to a system, and, as was pointed out at the time, the very word "blackmail" had previously been applied to the same system, and to this very case under it, by a Conservative newspaper which has never been suspected of socialistic tendencies. Ever since the introduction of the Budget it had been the burden of the attacks upon Mr. Lloyd George that he was guilty of robbery and confiscation, but none of those who used these words meant or thought that he was a felon and ought to be put in the dock upon a charge of felony. When he retorted that a system which allowed an urban landowner to levy enormous fines and premiums from his tenants was a system of legalised blackmail, he was using an analogy which was by comparison mild, and could offend only very squeamish persons. The whole tenour of the Limehouse speech was an attack, not on the rich as such, not on landlords as such, but on those fortunate members of the community who, being themselves rich in money and in acres, begrudged the moderate toll which the State proposed to exact. The speech was in no sense a tirade: it was the more deadly because of the restraint of manner and of tone with which it was delivered. No one who heard it will forget how, after an authentic narrative of the profits which landowners, by a course of splendid inertia, had made out of the huge growth in the value of London land, the speaker thrilled his audience, far more deeply than by any burst



of passionate rhetoric he could have thrilled them, by speaking in a quiet, matter-of-fact tone the simple words: "Now that is coming to an end." Phrases which, in the reading, may seem to give colour to his enemies' complaints—the phrase, for instance, about the dukes who "harass us"—were humorous asides, spoken with a twinkle of the eye which implied at the most a genial contempt for certain ducal extravagances upon the platform. Instead of crushing his noble adversaries with a weight of classical oratory he preferred to laugh them out of court with a jest. No doubt the speech, compared with models of earlier eloquence, compared—as Mr. Lloyd George's opponents would have us compare it—with the speeches of Mr. Gladstone, to whom a posthumous admiration which would have astonished him is now offered by the ranks of Toryism, is colloquial, and upon a different (which does not necessarily mean a lower) literary plane. It is as if one were to compare a popular ballad with a great epic. By its simplicity, by its direct appeal to elemental and not ignoble emotions, and, I will add, by its literary qualities, the Limehouse speech must stand high among the great popular orations of history. From the first word to the last, the audience were completely under its spell. For my own part (if I may be forgiven the egotism of a personal criticism) nothing impressed me more in the speech than the effect upon the audience of two passages in it which were in themselves not political at all, but poetry and nothing else. I suppose that no English orator of our day would have ventured upon two such passages, or would have been wise to make the attempt, and one may think that the spirit of his bardic ancestors was uppermost in the speaker when he delivered them. The first of these passages was that in which he drew a picture, terrible in its simplicity, of the depths of the coal-mine, with the straining earth above the twisted props. The other was that in which he laughed to scorn the comparison which some landowners had sought to draw between their own increased profits and the doctor's increased practice. The few words in which he spoke of the doctor's services to humanity seemed to bring to each of his hearers a picture, so vivid as to be almost painful, of stricken and anxious homes. A student of what is called the psychology of crowds would have been struck by the tense, awed silence with which this English audience, some of them, one would think, men blunt and uncouth enough, listened to the Celtic orator's appeal to the poetry and the imagination latent in them. A critic might object that the passages to which I refer were mere excrescences upon his argument. So be it, but I shall not, I hope, be accused of too far-fetched a



comparison if I confess that they reminded me of nothing so much as those noble similitudes with which the first and greatest of popular epic poets was accustomed to embroider his main theme.

The personal impression which I have tried to set down may perhaps be pardoned, and for the rest the reader must be referred to the speech itself,<sup>1</sup> a speech which few who most abuse it seem to know except by reputation. It was at once attacked by Sir Edward Carson, in a letter to the "Times." Sir Edward Carson wrote to suggest that this speech, "by the Chancellor of the Exchequer, or rather by Mr. Lloyd George," opened a new page in the Budget controversy. In the House of Commons the Chancellor of the Exchequer had "been posing as a Minister anxious to meet objections": at Limehouse he had "taken off the mask and openly preached a war of classes, insult to individuals, the satiation of greed, and the excitement of all the passions which rendered possible the momentary triumph of the unscrupulous demagogue."

The comment of the "Times" at about this time was that Mr. Lloyd George and Mr. Winston Churchill, whose names were now constantly bracketed together, were evidently seeking to form a new party. Mr. Churchill had said that in future the tax-gatherer would ask of the citizen, not merely, What money have you got? but How did you make it? and was supposed by this epigrammatic declaration of policy to have announced a new and socialistic inquisition. Lord Lansdowne, speaking in August, showed that he could make strong accusations with great politeness of manner and elegance of diction. He went to natural history for a comparison. In the West of Ireland, where he often spent his holidays, he sometimes saw, he said, a very interesting sight. There was a particular kind of gull, particularly voracious and unscrupulous, who did not fish for himself, but hovered about and swooped down on the other birds and made them let go their fish. He was going on to give the name of the bird when a voice obligingly suggested "Lloyd George." However, Lord Lansdowne was able to complete his parable with the information that the name of the bird was a word derived from the Greek, which, literally interpreted, meant the "swooping robber bird."

It is not without interest to inquire whether the critics of the Limehouse speech would have thought a comparison with the robber gull seemly if it had come, not from Lord Lansdowne in reference to Liberal statesmen, but from Mr. Lloyd George with another application, and it is to be observed that a statesman of such recognised moderation as Sir Edward Grey, commenting

<sup>1</sup> See vol. iv., pp. 678-685.

upon Lord Lansdowne's speech, was driven in spite of himself to borrow the metaphor and adapt it to the ground landlord, whom indeed it fitted with great precision. It was, he said, "rather an invidious comparison, which he had not introduced," but he could not refrain from pointing out that the ground landlord might fitly be compared with the robber gull taxing the result of the energy and enterprise of common gulls. He suggested that Lord Lansdowne might spend his next holiday on the west coast of Ireland in inventing some method by which, whenever the swooping gull had taken a fish from one of the labouring gulls, a fifth of the fish might be taken from it and devoted to some purpose which would be for the good of the country, and of common gulls at large. Then the parallel with the operations of the Government would be fairly exact.

Journalists had decided that Mr. Lloyd George and Mr. Winston Churchill were inseparable allies, and we may notice in passing an incident of the recess which curiously illustrates this. In August there was a flying meeting at Rheims, and one of the newspapers of the place announced, with impressive gravity, that "the two distinguished British aviators George and Churchill had already arrived." As a matter of fact, Mr. Churchill did not arrive at Rheims, but Mr. Lloyd George did, and was promptly interviewed by the representative of a Paris journal, who, finding him in high spirits, deduced that the Budget was now out of danger. However, when the Chancellor of the Exchequer was questioned as to the probable conduct of the Lords, he replied that he did not think the Lords themselves knew what they were going to do.

This was not only a cautious, but no doubt an accurate, diagnosis of the situation. During the autumn, when the Budget was slowly working its way through to the House of Lords, it became increasingly probable that an appeal to the country would be necessary upon it. Mr. Lloyd George continued in a series of speeches, notably at Newcastle on October 9,<sup>1</sup> the propagandist work which he had begun at Limehouse. One section of the Conservative Press was counselling rejection, another was advising caution.

Great encouragement had been given to the advocates of the bolder course by a speech from Lord Rosebery, delivered in September, and preluded by his resignation of the presidency of the Liberal League and by a final renunciation of the party he had once led. In a pontifical oration, which did more than any other single speech to persuade the Peers to the course which

<sup>1</sup> Vol. iv., pp. 686-696.



they ultimately took, he declared that the great danger of the Budget was its introduction of socialistic principles. Bad as protective legislation would be, its dangers were as nothing to those of Socialism, in which he saw "the end of all things."

Meanwhile great concessions had been made in the House of Commons to the critics, concessions which of course reduced considerably the estimated revenue from the new taxes. The abnormally slow progress of the Finance Bill had made it possible to revise the estimates of April, and the Chancellor, admitting that it was "rather a novel proceeding," gave a revised estimate of his revenue before the Budget had left the House of Commons.<sup>1</sup> All the taxes were doing well, except that upon whisky, which was "discouraging—or shall I say encouraging?" In making his estimate, Mr. Lloyd George had assumed that the working classes would purchase a smaller quantity of liquor. He made a rough calculation, with such information as he had at his disposal, as to the probable effect of this expected diminution. There came, however, as a result of the tax a most extraordinary and unlooked for change in the habits of the people. Many gave up spirit-drinking altogether. In some districts in Ireland the consumption of spirits went down by 70 per cent; and a reduction of 30 per cent. was quite common. Curiously enough, there was no proportionate increase in the sale of beer. "We are getting enormous taxation," as Mr. Lloyd George put it, "either in malt or morals." The one reduction in the estimated revenue was thus a reduction upon which he could look with something more than equanimity. This, however, combined with the concessions he had made, made it necessary for him to take another half-million from the Sinking Fund.

The decision of the Lords was announced on November 17, when Lord Lansdowne gave notice that on the second reading of the Finance Bill he would move "That this House is not justified in giving its assent to the Bill until it has been submitted to the judgment of the country." It was obvious that this was a polite periphrasis for flat rejection, and that the Peers had decided, or had been directed, to turn a deaf ear to prudent counsels. The division was a great triumph for Mr. J. L. Garvin and for Mr. Maxse, two journalists of spirit, the former of whom had constituted himself the dashing leader of the forces of modern Toryism, and was destined to lead the party, which followed him with what agility it could under trying circumstances, into some very awkward places. It was known that there was considerable division of opinion among Unionist Peers as to the wisdom of the

<sup>1</sup> October 22, 1909.

course which Mr. Garvin had dictated. Lord Milner was certainly not among the dissentients. In his view, expressed at Glasgow in a sentence which lived long, it was the duty of the Peers to throw out a Budget which they believed to be bad and to "damn the consequences."

On Monday, November 22, Lord Crewe, without a speech, moved the second reading of the Finance Bill in the House of Lords. Lord Lansdowne then rose to move his amendment. Oliver Cromwell, he said, had invented a little House of Lords of his own for the express purpose of protecting the people of England against "an omnipotent House of Commons—the horriddest arbitrariness that ever existed in the world." He saw in the land taxes the "first easy stage" by which the Chancellor of the Exchequer was seeking to arrive at the nationalisation of land. Except that he declared against Free Trade—many staunch Free Traders, he said, were "beginning to realise that our single-handed struggle in favour of Free Trade could no longer be carried on with any prospect of success"—and delicately referred to the fact that the idea of Tariff Reform was "present to the minds of a large portion of the people, and the most thoughtful portion of the people," he gave no hint of any alternative proposals. Had they considered the consequences of rejecting the Budget? Yes, they had considered them and were prepared to face them. The threat of a financial deadlock did not dismay him, and as to the threats directed against the House of Lords, he recalled to mind the fact that before the Budget was dreamed of the same threats were held over their heads, and he asked his fellow noblemen: Shall we stand better or shall we stand worse when the struggle comes if we shirk our responsibility now?

Lord Rosebery, who had done so much to persuade the Peers to reject the Budget, himself decided, with curious fickleness, or rather perhaps from that love of surprising common folk which seems to have guided his public life, to give his vote in its favour. The Archbishop of York and three bishops also voted for it: one bishop voted against it: the rest, led by the Archbishop of Canterbury, did not vote at all. Of the personal references to Mr. Lloyd George which occurred in the debate two at least deserve quotation. Lord Ribblesdale, speaking as a Free Trader and an independent politician, represented wittily enough one of the schools of thought referred to earlier in this chapter when he spoke of Mr. Lloyd George as having adopted a "half-pantaloons and half-highwayman style." The line he took was that the speeches, though terribly jarring to noble nerves, were, after all, mere words, and had not been unprovoked.



We have all [he said] been very much upset—I have myself—by the speeches of the Chancellor of the Exchequer, but I have been able to get over them, and I have no doubt noble Lords opposite have also. But there is one thing I will say for Mr. Lloyd George, and that is, that he has stuck to his form throughout. If you take Limehouse as his Ossa, he backed it up with Pelion in the shape of Newcastle. I rather respect him for that, because there is no sort of doubt that, if any speaker starts on a half-pantaloon and half-highwayman style, it is almost too much to ask him, all of a sudden, to turn round and revert to the manner of our classical models, such as the late Mr. Gladstone, the late Lord Goschen, and the present Lord St. Aldwyn. But whatever may have been the infelicity of the style which has recommended the Budget, I am bound to say that the first attacks on it were somewhat infelicitous too, and it is an infelicity which we have all, somehow or other, learned to connect with the word "Duke." Personally, I think Dukes are charming people, but I am bound to say that I have read a good many speeches of Dukes from time to time, and they have stuck to their form too.

A similar comment was provided by the Archbishop of York, whose speech as a whole was a model of the kind of criticism for which one would hope in an ideal Second Chamber.

We are told that the danger is not so much in the actual proposals as in the tendency which lies behind them—a tendency inferred from speeches delivered either by some of His Majesty's Ministers elsewhere, or by some of their supporters. I hope I shall not be wanting in respect to a very eminent politician if I suggest that the tendency complained of is largely the tendency of the Celtic temperament to respond to its environment, to do a thing that meets the situation, to be conciliatory in the House of Commons and inflammatory at Limehouse. Partly the tendency may be that mysterious possession affecting the Celtic temperament which is called the *hwyl*, which makes the speaker say he knows not what, and excites the audience they know not why.

It may be doubted whether the Archbishop's definition of the *hwyl*, allusions to which in Mr. Lloyd George's early diaries may be remembered, is not based upon a Saxon's imperfect appreciation of a Celtic gift. His language is worth quoting because it expresses, unsympathetically, but not in an unkindly spirit, a criticism which was very common. It is, of course, obviously true that the manner and form of Mr. Lloyd George's great public speeches differed materially from that of his speeches in the House. The same would be true of any orator, for the orator is necessarily a master of more than one style, and the fact that he has a popular style for popular occasions is no reproach to him unless it can truly be averred that he addresses to ill-instructed



RIGHT HON. C. F. G. MASTERMAN.

*(Photograph by Elliott & Fry, Ltd.)*





audiences arguments in which he does not himself believe, for the purpose of deceiving them. When we consider Mr. Lloyd George's speeches in the light of this test, it is to be remembered that in the House of Commons he was addressing himself to those of his opponents who showed a desire to be conciliatory and a willingness for compromise. There he was the business man, striking a bargain with reasonable opponents. In the country, on the other hand, he was battling against great, and not always scrupulous forces, and fighting to win from the democracy a mandate for his policy. Meanwhile his opponents were not idle. Some of the noble Lords who, as an election approached, took to the platform for the first time in their lives, made up in violence what they lacked in coherence, and it was throughout a commonplace of Tory speeches that the Budget was an instrument of robbery.<sup>1</sup> To ask the Chancellor of the Exchequer, under such circumstances, to discard the great powers of public advocacy which he possessed, was to ask him to throw away both sword and shield and submit himself and his proposals undefended to the powerful and relentless forces of the Opposition.

## IV

A slander withdrawn—Mr. Richard Lloyd—A reunion of schoolfellows—Mr. Lloyd George and Mr. Balfour.

It is not necessary to dwell here upon an unpleasant form which the assaults upon the Chancellor of the Exchequer had taken during the year. He shared with other Liberal statesmen, Mr. Gladstone among them, the distinction of being attacked in the most dangerous as well as the most discreditable of all ways by the baser sort among his enemies. Rumours, vague and ugly, were assiduously spread that he was involved in some matrimonial scandal, which was soon to occupy the courts. When no such case was heard of, rumour had a ready explanation: Mr. Lloyd George, of course, had paid some vast sum by way of hush-money. One newspaper incautiously gave publicity to the rumour, and so provided him with an opportunity of stamping it out once and for all. An action was brought, and the defendants by their counsel withdrew every word that they had written, and declared without reservation that there was no sub-

<sup>1</sup> Lord Denman quoted in the debate in the House of Lords a pious sentiment expressed by the Duke of Beaufort, who had told an audience of his tenants and others that he "would like to see Winston Churchill and Lloyd George in the middle of twenty couple of dog hounds."



stance of any sort in the allegation. They paid the costs of the proceedings and a further sum of £1,000 by way of damages, which Mr. Lloyd George applied to the building of a village institute at Llanystumdwy. In the previous year the Cottage Hospital at Carnarvon had profited in a similar way, to the extent of £300, paid as damages for another libel of the same kind.

These were unhappy and unpleasant incidents, rare fortunately, though more frequent than they should be, in English public life. No doubt the fact that the leisured classes are mainly Tory explains the readiness with which scandal is invented in the drawing-rooms about Liberal politicians, but it would be very unfair to accuse Toryism as a whole of complicity in rumours which, conceived in thoughtless brains and disseminated by idle and evil tongues, are only harmful while they are undetected.

It is pleasanter to turn to other incidents in his domestic and private life during the year. In April his uncle Richard Lloyd had completed the fiftieth year of his service, with Mr. William Williams, in the joint pastorate of the "disciples of Christ" at Llanystumdwy. The Chancellor sent to his uncle and to his old friend a present of books, "a small token," he wrote, "of my humble admiration for two lives of singular purity, devotion, and self-sacrifice." One of the earliest visitors to the official residence of the Chancellor of the Exchequer at 11, Downing Street, had been the uncle to whom he owed so great a debt. Even in the busiest days of the Budget, however much private correspondence might go to the wall, the letters home to his uncle and his brother were never forgotten.

In the summer of 1909 Mr. Lloyd George's old schoolfellows in the village school came from all over the kingdom and beyond it to meet and welcome him at Llanystumdwy. The chair at the meeting was taken by a clergyman of the Anglican Church, the Rev. Evan Evans, who had been a pupil teacher in the days when the Chancellor of the Exchequer was leading in the schoolroom and in the playground the forces of dissent. It was one of those occasions, when political and even religious differences are sunk, which luckily our public life provides in plenty. Another of these, and one in every way more remarkable, arose when, at the meeting in October of the same year of the Cymrodorion, Mr. A. J. Balfour was the guest of the evening and Mr. Lloyd George proposed his health. One can picture the astonishment of a foreign commentator, accustomed to see political hostility imported into personal relationship, at such a meeting, at a moment when the Budget fight was at its height, and feeling on each side

ran so high. What would such an observer have said, one wonders, at the tribute of sincere admiration which Mr. Lloyd George offered to his old foeman.

The House of Commons, he said, had a special pride in Mr. Balfour, a pride in his great gifts, a pride in his courage, a pride in his chivalrous bearing. There was no debate in the House of Commons in which he took part which he did not enrich by his contribution. He was one of the greatest assets of the House, and even one of its greatest luxuries. Many a weary hour, perforce spent in that assembly, was fully recompensed by one speech from Mr. Balfour.

He and I have not always seen eye to eye—not on everything. I am sure that is all due to a misunderstanding which will be cleared up in due course. It has been my painful duty, on one or two occasions, even to criticise him; and it has been my still more painful duty to sit and listen while he has been criticising me, and I can assure you, as one who has undergone that painful operation more than once, that those who suffer most deeply the damage inflicted by his blows are also those who admire most thoroughly the consummate skill with which they are always dealt.

The speech in which Mr. Balfour responded is the best commentary upon the situation, and was certainly not less generous than that to which it was a reply :

This is not the first time that I have recognised, and been rejoiced to recognise, that political differences do not, so far as Welshmen are concerned, embitter personal relations. I remember that we are now getting on in October, still fighting over a great controversial measure, which the Chancellor of the Exchequer is defending with that Parliamentary skill which every one on both sides of the House so fully recognises. About seven years ago, I suppose it was, the positions were reversed. We were also in October or November, or at all events gradually working towards the end of the year, with the legislative business of the House of Commons still unfinished. In other words, we were fighting the Education Act of 1902, and I think it may be said, probably, that next to the Budget of 1909, the Education Act of 1902 was about as hard-fought a measure as has ever been seen within the living experience of Parliamentarians. The position was then reversed. I was doing my best to defend a Government measure, the Chancellor of the Exchequer was exhibiting those great qualities of parliamentary debate in Opposition, and in independent opposition, which he now shows upon a larger theatre. But the same friendly tolerance was extended to me when I was the proposer of legislation as is now extended to me in the position of critic of legislation. I well remember that it was towards the end of that prolonged and arduous session, in which it was my lot to propose a Bill vehemently opposed by the great majority of Welsh representatives, and in which the Chancellor of



the Exchequer was really the leading protagonist of that opposition, that while the House was sitting, I was asked to dinner by the Welsh members in the House of Commons. I do not think there could be a greater exhibition of the kindly tolerance which overlooks honest differences of opinion than what then took place, unless it be, perhaps, the speech which we have just heard in proposing a toast from the statesman who was then leading the Opposition, as he is now, in respect of the Budget, taking a leading part in defending the Government proposals. . . . I do not believe there is any place in the world where such a speech would have been made on such an occasion and such a subject except this country, and, perhaps, by a Welshman.

## CHAPTER VI

### I

The conflict between Lords and Commons—"We have got them at last"—The election of January 1910—Mr. Lloyd George's speeches—Mr. Lloyd George and Mr. Balfour—A triumph at Grimsby—The "Coalition"—The question of guarantees—The attitude of the Nationalists—Mr. Lloyd George as intermediary—The constitutional battle: "No compromise."

**A**T last the struggle with the Lords, upon which Mr. Lloyd George's heart had been set ever since their contemptuous rejection of the Education Bill had shown that not even a victory like that of 1906 could modify the attitude of cool disdain with which they regarded Liberal measures, was entering upon a decisive phase. At last they had overstepped the limits of discretion. So far the answer to complaints against the Lords had been that however indefensible their claims might be in theory, they had, in fact, by a sort of intuition, always correctly interpreted the people's will. The assertion did not bear close scrutiny in the light of history, but it was always triumphantly supported by the instance of Home Rule. The dilemma in which it was sought to place the reformer was this: If your measure is popular, go to the country: if it is not, our rejection of it is vindicated. Thus, in effect, a Liberal Government, passing great measures of reform, might be compelled either to submit each severally to the arbitrament of a general election, at which all sorts of other issues would come up for judgment with it, or to acquiesce in its truncation or rejection. The former course, however courageous and however confident in its record a Government might be, could not be adopted without the most complete disorganisation of the King's Government: the latter damaged a Government's prestige and discouraged its supporters. But the Peers could be content to smile at the wrath of their opponents so long as they were careful never to reject a Bill if both that Bill and the general record of the Govern-



ment were popular with the country. To make a Liberal measure safe it was necessary that both those conditions should co-exist. It mattered not how clearly a Government might have obtained an authority for the measure, or how great—as in the case of the Licensing Bill—the weight of moderate opinion in the country might be in its favour. It mattered nothing, on the other hand, how bad the Lords might consider a Bill to be, if the existence of the two conditions we have mentioned made it unsafe for them to reject it. The Trades Disputes Act and the Old Age Pensions Act bear witness to this truth upon the pages of the Statute Book.

The Peers probably overstepped the limits of prudence when they rejected the Education Bill. The Government had then lost none, or very little, of its popularity, and the Bill itself was at least as popular as any Education Bill is ever likely to be in this country. But as we have seen, for reasons which seemed good and sufficient to the Prime Minister and the Cabinet, that opportunity, if opportunity it was, had been allowed to slip. Now the House of Lords had made a grave miscalculation. It was known that the Government had lost ground in England. It was believed by many that the cause of Tariff Reform had correspondingly advanced. It was difficult for those of the nobility, whose dreams were haunted by a visionary Lloyd George, the most alarming and hideous of family ghosts, to believe that the Chancellor of the Exchequer could really inspire confidence and affection even in the uncultured bosoms of the masses. There were dangers, but they were not in a mood to reflect upon them. It speaks volumes of the mood of the Peers at this crisis, that Lord Milner's "damn the consequences," which one may think will go down to history as among the silliest of speeches, seemed not only to the fresh and callow intellects among them, but even to some of their wisest heads, to be an heroic and a statesmanlike utterance. And so they took the plunge. "Their greed has overborne their craft, and we have got them at last," Mr. Lloyd George said in a speech at the National Liberal Club.<sup>1</sup>

Among Liberals, the most enthusiastic and hopeful spirits had visions of a swift conquest. It was believed by many that if the result of the election were so favourable as to give the Government and its supporters a substantial majority, the Prime Minister would place himself once and for all in a position immune from the veto of the Lords. At the great Albert Hall meeting of his party which began the campaign Mr. Asquith used words

<sup>1</sup> See vol. iv. p. 705.

which, variously as they were interpreted, seemed a clear enough indication that he had a means to this end in view.

I tell you quite plainly, and I tell my fellow-citizens outside, that neither I nor any other Liberal Minister supported by a majority of the House of Commons is going to submit again to the rebuffs and humiliations of the last four years. We shall not assume office, and we shall not hold office, unless we can secure the safeguards which experience shows us to be necessary for the legislative utility and honour of the party of progress.

It was believed by some that, if the issue was favourable, Mr. Asquith would decline to take office unless the King guaranteed him his support in the programme of curbing the power of the Peers. But whatever the procedure of the Cabinet was to be, this much was plain—that the issue before the people was, not the fate of the Budget alone, but the continued supremacy of the House of Lords. The country had taken the rejection of the Budget quietly enough. It would be a very deep and flagrant breach of the Constitution which would provoke uproar in the streets. But it was soon evident that the nation, as a whole, had no sympathy with the pretensions of the Peers. Nobody, not even the most optimistic Liberal, had supposed that anything like the enormous majority of 1906, which so many Conservative Free Traders had helped to swell, could be maintained. But as the election results came in it was seen that the hopes upon which the Conservative Party and their allies in the House of Lords had so recklessly built were to be frustrated utterly. The Liberal Party as such no longer had a clear majority, but with the assistance of the Nationalists and of the Labour Party, both pledged to stand by the Government against the oppression of the Lords, the Cabinet was in the comfortable position of commanding a majority of 125.

Some of the speeches in which Mr. Lloyd George rallied his forces in support of the Budget and against the Peers are printed in the following volume. Like the Limehouse speech, the other speeches in which he advocated his new taxes consisted largely of instances drawn from experience of the windfalls which fall so often to the landlord's lot. His speeches were made the subject of a meticulous scrutiny, and if any error, however immaterial and trivial, could be detected in a fact or a figure, he was promptly accused in the Tory Press of the grossest exaggeration and perversion. A good instance of this was the reference in his Carnarvon speech to "a little tailor's shop next door" to Lord Bute's castle at Cardiff, rated upon a higher



assessment than the Castle. Because the tailor's shop was not "little" except by comparison with the castle, and because it was not immediately adjacent to the castle, Mr. Lloyd George was accused of wilfully misleading his audience. His own comment upon the matter appeared with the publication, during the election, of some of his speeches :

I said the shop was next door to the castle, meaning, obviously, in the immediate neighbourhood. Letters were written, speeches were made, leading articles filled some of the Tory papers, to prove that the shop was not literally next door, but in the adjoining street. This was regarded as a complete demonstration of the absolute unscrupulousness of my advocacy and of the complete absence of veracity in all Radical speakers. And yet all the main facts were admitted—the castle, with its 500,000 square yards of invaluable building land in the heart of the great and thriving commercial city of Cardiff, rated at only £924 a year, while the tailor's shop, with its 800 or 900 square yards, stood assessed at the higher figure of £943. This is the kind of criticism upon which wild charges of wilful mendacity are directed against speeches which I now submit with confidence to the judgment of the public.

In his own constituency there was little need for him to make speeches, and it was not till quite late in the contest that he put in an appearance there. This time the Conservative candidate was Mr. H. C. Vincent, a member of Mr. Lloyd George's profession, and Mayor of Bangor, but although he was regarded as an excellent candidate nobody imagined that he had any chance of success against a man who commanded a personal devotion from his constituents, certainly not less than that upon which Mr. Chamberlain relied for so long in Birmingham. A Conservative correspondent from the Boroughs wrote plaintively to the "Times" to say that few outside their confines could realise the great personal influence which Mr. Lloyd George exercised over his supporters. A speaker at a Liberal meeting at Bangor that week, he complained, had emphatically declared that he was prepared not only to vote for Mr. Lloyd George but to shed his last drop of blood for him.

Under such circumstances Mr. Lloyd George could well afford to devote himself to the task, as he put it, of converting "the Gentiles." He began the year with a speech at Reading in support of Sir Rufus Isaacs, in which he foreshadowed a scheme of insurance against sickness and unemployment as among the first-fruits of the Budget which the Peers were withholding from the people.<sup>1</sup> A few days later he replied, in a speech at Peckham,<sup>2</sup>

<sup>1</sup> Vol. iv. pp. 745-751.

<sup>2</sup> January 7, 1910.

to a last desperate attempt which Mr. Balfour had made to revive the waning hostility to Germany. It is almost incredible that any statesman, least of all a man of Mr. Balfour's probity, should deliberately attempt to inflame animosity between this and another great nation, even for the sake of attaining objects which he believed to be vital to this country. But if his speech at Hanley be acquitted of such sinister and immoral design, if we see in it no lapse from rectitude, it must certainly be condemned as an unaccountable deviation from common-sense. He asserted, with no authority that has ever been discovered, that Germans "of position" had been known to say that their country would never allow England to adopt Tariff Reform, and he declared, with a great show of indignation, that at such language his blood boiled. Coupled with this illustration of "the depreciatory view of the virility of the manhood of Great Britain," there went a dangerous and mischief-making statement that there was, among "statesmen and diplomatists of the lesser Powers," a unanimous belief that a struggle between this country and Germany was inevitable, and that through our blindness to our responsibilities we were destined to succumb in the great contest. "I do not agree with them," said Mr. Balfour, with great moderation, "but that is their opinion."

Mr. Lloyd George said of Mr. Balfour's experiment in "tail-twisting," as he called it, that it was the last resort of a desperate man who saw that his game was lost. The Unionists had destroyed the Constitution: they were prepared to destroy the fiscal system of the country: they were ready now to risk war with a European Power—all to escape the valuation of their land.

Upon Mr. Balfour's attempt to frighten his hearers with the talk of others, in which he did not himself believe, Mr. Lloyd George made a fittingly scornful comment:

It is the kind of society tittle-tattle heard at tea-tables where they sandwich their toast with horrible things about Germany and Radicals, and about their nearest and dearest friends too. He told it in the same sort of way. "Here, have you heard? Do you know what I was told the other day? Mind you, I don't believe it. At the same time, I am in duty bound to tell you. I don't believe it for a moment, but still I only just repeat it." This is not merely the manner and method and style of the worst society scandal-monger of the most cowardly type, but it creates bad blood between neighbours.

The most notable triumph which Mr. Lloyd George gained during the election was at Grimsby, where Sir George Doughty, who had distinguished himself on many platforms as a whole-



hearted opponent of the Budget, was the sitting member. On the very day of the poll—a Saturday—Mr. Lloyd George addressed a great meeting at the Skating Rink in support of Mr. Tom Wing, the Liberal candidate. Sir George Doughty had followed the example of Mr. Balfour in preaching the danger of German invasion, and Mr. Lloyd George's speech effectively ridiculed the scare. His coming had been much resented by Sir George Doughty's followers, and the great reception which his speech obtained from a vast audience did not make their resentment any the less keen. A hostile crowd collected round the building to await his coming, and the police took so serious a view of the menaces of the mob that they persuaded the Chancellor of the Exchequer, not for the first time in his career, to make a strategic retreat under escort. A cordon of police constables was drawn round the building, and a body of police officials walked with Mr. Lloyd George in their midst for about a quarter of a mile along a drain-side upon which the rear of the building abutted. This led them to the Great Northern railway line, and so, after a wall had been climbed, to the fire brigade station, from which Mr. Lloyd George was able peacefully to escape while a baffled crowd still waited, puzzled as to his whereabouts, outside the Skating Rink.

The crowd had good reason for its annoyance. Largely, it was believed, as the result of Mr. Lloyd George's speech, their champion fell in the combat, and Grimsby, though for a short space only, had to put up with what Sir George Doughty himself declared to be "a loss not only to Grimsby but to the country generally."

In his own constituency his majority over Mr. Vincent was 1,078 (3,183—2,105). The results as a whole showed that the Government had triumphed in most of the great industrial centres, while it had lost seats in the cathedral cities, and the pleasure resorts, and within the spheres of aristocratic influence. The Conservative view of the result was that it was inconclusive. The Irish Nationalists, it was urged, ought not to be counted because they had no love for the Budget. The Labour members would be unreliable and uncomfortable allies. Unionism had gained a hundred seats. In fact, as Mr. Lloyd George expressed it at Alfreton (January 24), when he spoke in support of a Labour candidate, Conservatives proved to their own satisfaction that a Liberal majority of 125 was a great Tory victory. He reminded those who taunted the Government with its "composite majority" of the first beginnings of the Unionist Party. Who were its leaders? Lord Salisbury, who a few months before had called

Mr. Joseph Chamberlain "Jack Cade," Mr. Goschen, whom Mr. Chamberlain had nicknamed "the skeleton at the feast," Lord Hartington, whom the same inventive mind had christened Rip van Winkle, and Lord Randolph Churchill, whose head Mr. Chamberlain's followers had tried to smash in the Aston riots. When is a majority not a majority? he asked, and gave the answer, "When it is a Liberal one."

Two facts clearly emerged from the verdict of the nation, and they were facts from which neither party could escape. The first was that the people by a large majority had rebuked the Peers and declared for the curtailment of their powers; the second that the Government, though according to all constitutional rules and to plain common-sense it spoke with none the less authority because it depended upon the votes of a coalition, might, by reason of that fact, find its position the less secure. It is demonstrably idle to talk of a Government which has a majority of 125 in favour of the main outlines of its policy, however that majority is made up, as anything but a powerful Government. All majorities are liable to crumble, for the very reason that they are made up of human beings, and not voting machines. On the other hand, all majorities are kept together on subsidiary points by community of sentiment and interest upon vital issues. Language is often used, and was much in vogue among Unionists at the beginning of 1910, which suggests that there is something disgraceful in the spectacle of bodies of men who are not agreed upon all questions habitually voting together for the maintenance in power of a Government which is helping them to attain some governing ideal. It is in the very fact of the diversity of opinions among any collection of intelligent men that the party system finds its justification. Once it is granted that there is not in this or any country a sufficient number of men at once intelligent and capable of unanimous thinking on all points to form a great party, it follows that cohesion and combination can only be obtained by a partial surrender on the part of individuals of their right to act and to vote independently upon every question that may arise. Different nations meet this difficulty in different ways. The French, for instance, rather than trespass at all upon the individual's claim to the unfettered exercise of his private judgment, have evolved a system of small groups which, while it has, no doubt, its advantages, notoriously makes governments unstable and crises common. It is characteristic of the English genius that, just as Englishmen boast of the elasticity of creed which distinguishes their national Church, so in their political parties, and most markedly of all in the Cabinet,



it is considered a creditable and fitting thing that a man should be ready to sink his own opinion in favour of that of a majority of his allies, unless indeed the conflict arises upon some point so vital that a surrender is altogether too great a price to pay for unity. If such be the real basis of the party system, it is clear that a Government is neither more nor less to be respected because its supporters are not all labelled with the same party badge, and that there was a great deal of cant in the sneers which were so rife at the "composite majority" of 1910. It might well be true, however, and Conservatives hugged the belief that it was true, that such a coalition as this one must soon dissolve. As to that, the proof of the pudding was in the eating. Time alone could show whether a sufficiently strong sense of discipline could be inculcated among the allies to make them a powerful and invincible army.

It looked at first as if the inherent weakness of coalitions, upon which Toryism now so fondly relied, would jeopardise the position of the Government. The view of the Irish, and of not a few Liberals, was that the Cabinet should not take office unless a promise were forthcoming from the King that he would, in the last resort, exercise his prerogative to assist them in destroying the veto of the Lords. It had been thought by some that the Prime Minister himself, by his declaration at the Albert Hall, had pledged himself to that course, and there is no doubt that the language he had employed was open to that interpretation by any commentator who chose to leave out of account the plain exigencies of constitutional usage. When it was found that Mr. Asquith had no such intention, that he had never meant "to ask in advance for a blank authority for an indefinite exercise of the Royal prerogative in regard to a measure which had never been submitted to or approved by the House of Commons,"<sup>1</sup> there was considerable restlessness not among the Irish alone, but among the rank and file of Liberal supporters. But the case for the Prime Minister's refusal to demand guarantees at this stage was really unanswerable, and could hardly have been better stated than it was by Mr. Lloyd George, who would not have been likely to be enthusiastic in the support of any avoidable procrastination in the battle with the Second Chamber :

A good deal has been said about a guarantee. It is obvious no Minister, whatever the decision of the Government, could go to the Sovereign and ask for a guarantee in certain contingencies. Some of us have given very definite pledges on this question, and we have no desire to shirk them. On

<sup>1</sup> See Mr. Asquith's speech in the House of Commons, February 21, 1910.

the contrary, we shall certainly stand or fall by them. But it must be admitted that it is not possible to ask for the exercise of the Royal prerogative for a proposal, I do not say not formulated, but for a proposal which has not received the sanction and approval of the House of Commons. That is essential. I will ask my hon. friend [Sir Henry Dalziel] to put himself in the position of the Prime Minister—that is the only way to illustrate the position. He says you must ask for a guarantee, and I take him on that, and I ask him what would be his position if he went to the Sovereign with that request and had to meet the question: “Are you sure you will get the support of the House of Commons?” “Are you sure the House of Lords would reject it?” A good deal has been said in relation to the Reform Bill and a guarantee then given, which was never asked for until the House of Commons approved of the Bill or until it was certain that the House of Lords would reject it. That is the only precedent. What I want to put to my hon. friend is this, Is it not obviously desirable from his point of view that at any rate we shall have the general outline of the Bill approved or rejected by the House of Commons at the earliest possible moment, and that we shall also know whether the House of Lords will be prepared to proceed with a measure drafted on those lines? I can assure the hon. gentleman and all our friends in this House and outside that we do not propose to plough the sands. Unless we find ourselves in a position to ensure that our proposals not merely will pass the House of Commons but can be passed into law, we shall not continue in office. . . .

They were not, as had been suggested, merely “playing a game.” “In this matter . . . there is no shirking, there is no hesitation, and the Government will absolutely stake their existence upon the advice they will give the Sovereign if ever it becomes necessary to do so.”

The procedure upon which the Cabinet decided was in outline as follows: After urgent financial business had been dealt with, the House would be asked to pass resolutions affirming, first, the necessity for excluding the House of Lords altogether from the domain of finance; asserting, in the second place, the predominance of the deliberate and considered will of the House of Commons within the lifetime of a single Parliament; and lastly, declaring that these constitutional changes contemplated the substitution at a later date of a democratic for an hereditary basis in the Second Chamber. When these resolutions had passed the Commons, they would be submitted to the Lords, and meanwhile statutory provision would be made for the collection of taxation, including the taxation imposed by the rejected Finance Bill. It was made quite clear that Mr. Asquith had not receded from his position: never again would a Liberal Cabinet embark upon the fruitless task of legislation until the paramount veto of the House of Lords had been finally removed.



In these proposals, however, the Irish found fresh reason for suspicion. In common with the Labour Party and many Radicals, they had no love for a policy of reforming the House of Lords. The Labour men thought, in the words of the old Radical catch—"We can't mend 'em, so let's end 'em." It was freely rumoured that only the influence of Sir Edward Grey had persuaded the Government to pledge itself to reform. Apart from this, the Irish wished to see the House of Lords dealt with before the Budget was passed. The election that had just gone had brought Home Rule once more into the foreground. Mr. Asquith had made an emphatic pronouncement upon it in his own constituency: "I promise no legislation of any kind in the next Parliament," he said, "until we have settled our conclusions with the House of Lords; but I have also stated that in my opinion the Liberal Party would be perfectly free in the next Parliament, as it was not in the last, to support a measure for giving full self-government in purely Irish affairs to Ireland, subject to the maintenance, absolutely unimpaired, of the supremacy of the Imperial Parliament."<sup>1</sup> Nationalists were impatient, therefore, that the way should be cleared as soon as possible—and cleared before they committed themselves to the support of a Budget, parts of which they disliked—for the realisation of their dearest hopes, and the situation was complicated by the campaign of Mr. William O'Brien and his little band of Independent Nationalists against the Budget proposals and against Mr. Redmond. Mr. Lloyd George, as a Minister whose words always carried great weight with the more Radical element in the House, made a strong defence of the "reform" proposals. It had been alleged that any reform of the House of Lords was quite outside the scope and intention of Sir Henry Campbell-Bannerman's resolutions. Mr. Lloyd George quoted, with excellent effect, an express dictum of the late Prime Minister that his plan did not preclude or prejudice any proposals which might be made for the reform of the House of Lords itself. He went on to point out that, even if five hundred Peers "of the most satisfactory character" were created (how long they would remain so when once they had entered the House of Lords he did not know), nobody believed that the House would be much nearer perfection. Assume that the powers of the Second Chamber were limited as they would be by the plan which Sir Henry Campbell-Bannerman had inherited from Bright and had bequeathed to Mr. Asquith. Even then the Constitution would

<sup>1</sup> In East Fife, January 18, 1910.

provide a check only upon Liberal Governments, and there would be none at all upon Conservative legislation.

When the Nationalists finally decided to support the Budget, the natural chagrin of the Opposition, who had anticipated the immediate collapse of the "composite majority," led them to make the wildest charges against Mr. Redmond and his followers. It became a commonplace of Tory oratory that some kind of illicit "bargain" had been struck between the Government and the Nationalists. Mr. Redmond had bartered away the poor Irishman's whisky for a promise of Home Rule: Mr. Asquith was going to break up the Empire for the sake of Irish votes. It was categorically denied by Ministers that there was a bargain in any sense. The Nationalists had given no pledge as to their votes, they had been offered no bribe. It was not a secret that there had been pourparlers between Mr. Lloyd George, who had acted for the Government in the matter, Mr. Redmond, and Mr. O'Brien, but the outcome of those friendly discussions was not a bargain. "However the Irish members vote," Mr. Birrell said on April 15, "there is no man on the Liberal Front Bench who will be able either in public or in private to accuse them of any breach of faith or any misunderstanding whatsoever."

The Resolutions dealing with the powers of the Lords were discussed in the House of Commons from March 29 to April 14, and the Parliament Bill was then introduced and read a first time. The Commons then turned their attention to the year-old Budget, and, with the support of 62 out of the 81 Nationalists, the second reading of the Finance Bill was carried on April 25 by a majority of 86. On the third reading the majority was 93. This time the Budget went to the House of Lords, sure, not indeed of a heartfelt welcome, but of a safe passage to the Statute Book. The Prime Minister, who had stood firmly by the side of the Chancellor of the Exchequer when the faint-hearted were counselling surrender, with a chivalry and a tenacity of purpose which were both characteristic, now paid him a generous and deserved tribute in these notable words:

We are going to-night to take leave of the Budget so far as the House of Commons is concerned. If this were the last word that I ever uttered in this House, I should be glad to record my own unalloyed satisfaction for two things—in the first place, that it fell to my lot to lay the foundations and to prepare the way, and to initiate the working of what is now a national and indestructible system of old-age pensions; and in the next place, that I have been permitted, through the genius, tact, patience, and courage of my right hon. friend, to be associated with him in this great financial scheme, which, without trenching in any way on the principles or practice of the



fiscal system which has made our country prosperous and commercially supreme, is going to provide an adequate, ample, and expanding reservoir alike for the needs of national defence and of social reform.

On April 28 the People's Budget passed in a few hours through all its stages in the House of Lords.

Meanwhile their lordships, in a repentant mood, had devoted many days of March to the discussion of the question of their own reformation, upon Lord Rosebery's resolutions, which declared that to obtain "a strong and efficient Second Chamber" reform and reconstitution were necessary, and that a necessary preliminary was the acceptance of the principle that the possession of a Peerage should no longer of itself give a right to sit and vote in the House of Lords. Lord Halsbury spoke the mind of honest Toryism when he said it was "an electioneering debate."<sup>1</sup> But the House of Lords could not, in the straits in which it found itself, afford to dispense with even transparent methods of electioneering, and the resolutions were carried.

Thus, at the end of April, the opposing forces faced each other, the forces of progress confident and determined, the Peers sullen and resolved not to be defeated without a struggle. Beaten at the polls, the Conservatives had sought, as we have seen, to treat the result as inconclusive, and had endeavoured to make it an occasion for compromise. But Liberals, with a few exceptions, held that it was too late for compromise. The Peers had long occupied an entrenched position, difficult to storm. At last, by adopting foolish tactics, conceived in a spirit of vainglory, they had exposed their fortress of privilege to the attack of the reformer: now that the outer ramparts had fallen, far from suing for quarter, they offered the conquering hosts the alternative of meeting stubborn and forlorn resistance or agreeing to a treaty which would leave to the conquered all their essential privileges. It was not in human nature that an army which had besieged the gates with patience through years of bitter chagrin, disappointment, and humiliation, should greet such an offer with favour.

It is not necessary to relate here in any detail the shifts and vicissitudes of the Conservative Party at this crisis of its fortunes. Now that two elections had been fought and lost, there were many in the ranks who blamed for their disasters the onerous legacy of Tariff Reform. The Tariff Reformers, on the other hand, maintained that their enticing programme only failed to attract the electorate because it was coupled, to its disadvantage, with

<sup>1</sup> March 22, 1910.



Sir George Riddell

Mr. Masternan

Mr. Gwilym Lloyd George

MR. LLOYD GEORGE GOLFING AT WALTON HEATH





the burdensome defence of the hereditary House of Peers. Mr. Balfour, torn between the conflicting sections of his party, made a small concession to half-hearted food-taxers by declaring against the imposition of a tax on colonial imports, which had been a cardinal feature in the recommendations of Mr. Chamberlain's Tariff "Commission." Lord Rosebery suggested that the Conservative Party should play the part of patriots by leaving Tariff Reform out of their programme, and concentrating, in the election which must follow the House of Lords' refusal to accept the Parliament Bill, upon the Constitution. The suggestion was greeted with derision by the Tariff Reformers in the party: "any weakening on Tariff Reform would tend to imperil, not to preserve, the Constitution," wrote Lord Ridley, President of the Tariff Reform League. Mr. Balfour, it would seem, was of the same opinion: at any rate he turned a deaf ear to Lord Rosebery's proposal.

There was nothing in all this to lead the Liberals to lessen their demands, and when May came in it seemed to all men that nothing could delay the coming of the last fierce stage of the constitutional battle.

## II

The death of King Edward—The Conference—Mr. Lloyd George's second Budget—The "Form Four" agitation—A speech at the City Temple—The breakdown of the Conference—Unionists and Home Rule—American dollars—The Cabinet and the King—The second 1910 election—Mr. Lloyd George's health—A holiday sensation: an interview in "*L'Humanité*."

On May 6 King Edward VII. died, and a truce was called in the strife of parties. Constitutional pedants might argue that the monarch's death should not affect the position of politics: "the King never dies." Enthusiastic Liberals might, and did, urge that where there was a wrong to be righted, not the most mournful national bereavement ought to interpose to delay justice. Practical minds might scoff at the possibility of a settlement by consent now when a week before it had been admittedly hopeless. All such objections sounded empty, and, in some ears, almost profane. The nation was in a mood for reconciliations and for peace. The Government decided in the circumstances to invite the Opposition to confer, and on June 17 a Conference of eight members met for the first time. Mr. Asquith, Lord Crewe, Mr. Lloyd George, and Mr. Birrell represented the Government: Mr. Balfour, Lord Lansdowne, Mr. Austen Chamberlain, and Lord Cawdor the Opposition.



It was not known; and it was of little use to speculate, what went on behind those closed doors. We can be content to accept the verdict of Mr. Asquith that "there never was a more honest sustained attempt on the part of men of strong and conflicting convictions to understand each other's point of view, to find, if it could be found, an underlying common basis of agreement, and upon that basis to build up a structure with at least the promise of stability and endurance."<sup>1</sup>

Meanwhile, on June 30, Mr. Lloyd George introduced his second Budget. It contained no surprise for any one, unless it be the astonishment with which Protectionists may be supposed to have regarded the fact that it was not found necessary to impose any new taxes. The Chancellor of the Exchequer, looking back at the achievements of the past three years, had no reason to apologise for the Liberal financial record. They had wiped out completely, he claimed, a deficit of 16 millions with which they had begun: in readjusting taxes for that purpose they had reduced existing taxes, where they were pressing heavily, by £1,200,000; they had made provision for increasing demands on the Exchequer in respect of defence and social reform to the extent of many millions more; they had paid out of current revenue the charges for which other countries were borrowing; they were paying for the country's ships out of the revenue of the year. More than that, charges were now being paid out of current revenue for which, five years before, the country had been borrowing, and extensive provision had been made in the past two years for the reduction of the national liabilities. What other country in the world, he asked, could show such a record—what fiscal system other than ours could stand such a strain? There had in the past few years been much decrying and depreciating of British credit, British trade, British commerce, British securities. If those who doubted would examine the facts and compare them with the financial record of other countries, they would find that there was no need for this well-organised despondency, and that while others were lumbering along with their burdens from deficit to deficit, from one futile expedient to another, we were paying our own debts out of our income. "I think they will come to the conclusion," he said, "that the old country is still the soundest investment going."<sup>2</sup>

He gave a very effective reply in the course of the Budget debates to the complaints of his opponents that the Liberal Party had made "reckless promises" to the people of the country. What were these reckless promises? he asked. They had made

<sup>1</sup> House of Commons, November 18, 1910.    <sup>2</sup> House of Commons, June 30, 1910.

a "reckless promise" about old-age pensions, and there were already between 800,000 and 900,000 people actually receiving them. They had made another "reckless promise" that the pensions would be extended to paupers, and on January 1 there would be about 240,000 aged paupers walking to the post office for their five shillings a week. They had made another "reckless promise" about labour exchanges, and these were now in operation and had provided work for 100,000 people. They had made another "reckless promise" for next year that they would bring in unemployment insurance, and if the Government remained in power that promise too would be fulfilled. The so-called "reckless promises" were, in fact, the considered undertakings of a Government which had redeemed its other promises, and they were criticised by people who promised for fifteen years and gave nothing.

At the customary banquet given to him by the Lord Mayor at the Mansion House in July he took occasion to enforce the moral that it was no use grumbling at expenditure unless the critics were ready with proposals for retrenchment. He had been looking through the speeches of his predecessors on similar occasions, and found the same thought running through them all, that the Chancellor of the Exchequer could never be a popular person. He was unpopular on the one side because of his demands upon private purses: on the other, because, in his capacity as the custodian of the public purse, it was his duty often to refuse demands for increased expenditure on deserving objects. Not only were both the chief sources of public expenditure approved by the great majority of members of Parliament, but if they would look at the election addresses of candidates on both sides they would find in almost every one demands which would, if conceded, necessitate a greater expenditure still. Most serious of all was the competition in armaments, which placed upon the taxpayer so grave and unremunerative a burden. The countries of the world were spending annually 450 millions upon the machinery of destruction. In twenty years there had been an increase of 200 millions a year in this expenditure. We had the greatest Empire to defend, and we at least had that excuse. But if the nations went on increasingly spending their money upon matters which gave neither assistance nor support to their people upon the road that led to the highest civilisation, they would inevitably suffer. There might be newer, better, and easier methods of taxation. That would make no difference. Until this quagmire was drained, the money of the taxpayer would sink out of sight without leaving any trace of an impression behind. It was a



great and growing misfortune. No nation alone was responsible for it: he thought they were all responsible, and we could only wait until there was an understanding among the peoples.

The great "Form Four" outcry, which enlivened the Tory Press during an otherwise dull period, deserves some notice here. It is a good illustration of the sort of criticism which any reformer who touches powerful vested interests for the first time upon their tenderest points has to meet. Fortunately, it also illustrates the hopeful fact that, however loud an outcry in the Press may be, however strenuous may be the efforts of papers which circulate in millions to wreck in its administration a law which they have failed to stifle at the outset, the steady perseverance of a courageous Minister, aided by the sound sense which still distinguishes this nation, even in days in which the Englishman sometimes seems to have become a more ready prey than he is traditionally reputed to be to appeals to prejudice, is strong enough to withstand and, in the end, to reduce to its proper perspective the fiercest and the most exaggerated clamour of sensationalist partisans. The story of "Form Four" may serve to comfort reformers in the future if they ever fear that the people will lose their way in the blinding storm of misrepresentation and exaggeration which large sections of the metropolitan Press are so skilled at raising when it suits their party's ends.

In September, Somerset House issued the famous form. Two-thirds of the questions it contained were questions which had been addressed, year by year, to the occupiers of real property in this country for the previous sixty years. The only departure from precedent as to these was that the questions were now addressed, not to the occupier, but to the owner of the land. The rest of the questions were entirely new. They were necessitated by the fact that the owners of land were entitled to certain deductions in respect of charges upon their land. It became necessary to ask them what these charges were.

Income-tax payers, and those humbler citizens who fill up each year elaborate forms only that they may claim exemption from the payment of income-tax, had long done their task, not perhaps without grumbling, for nobody enjoys filling up forms, but at any rate without clamorous protest. Now that questions had to be answered about land, it was discovered that such an inquiry was an inquisition. "There is a cry of anguish," said Lord Rosebery (and he does not appear to have been joking), "throughout the land, and with all connected with the land. I do not know how many millions of my fellow-creatures—every one who has a foothold on the land, either the temporary foothold

of a lease, or what was once considered, but I think is no longer so, the more desirable occupation of a freehold—every one of those suffering fellow-countrymen is at this moment exposed to an inquisition unknown since the Middle Ages, but it has tortured them almost to extinction. The boot and the thumbscrew have not yet come, but the Inquisition in every other form is complete." That kind of rhodomontade was at least not dangerous, but there were subtler methods at work. Because small as well as large owners had to fill up forms, the smallest owner was solemnly warned that the nefarious object of the Government was to seize his land or at any rate to put new and crushing burdens upon him. The wealthy lamented their own hard lot in having to fill up thousands of forms because they owned thousands of acres, but they were wise enough to spare a few tears for the poor man who owned but a small plot, for whom they expressed a tender and altruistic solicitude. The "Land Union," which had been expressly formed for the purpose of resisting the payment of land taxes, and of making their working impossible, rejoiced at the success of its agitation. Men who were content to take their ideas from the gossip of the streets or the most readable and exciting journals—and, in the cities at any rate, they are a sufficiently large body to be formidable—were persuaded that Form Four would be the death of the Government and of Mr. Lloyd George's reputation. Comic papers ridiculed it: it was a jest upon the stage. Mr. Balfour, commending the efforts of the Land Union, declared that, as far as he could see, the "ill-planned and ill-built structure" of the land taxes "seemed likely soon to tumble to pieces by its own weight amidst general derision."

The sequel is instructive. On September 14 Mr. Lloyd George met a number of experts in property questions, official and unofficial, whom he had called together at the Treasury, in order to receive suggestions for removing any legitimate grievance that there might be against the form. They all stated in reply to him that in their opinion the form was neither unintelligible nor obscure; though of course people who were not experts might be more puzzled by it. The fact was that by September 12 a million and a half landowners, among whom a vast majority of the small owners were included, had already returned their forms filled in, and when the embarrassment of riches, which, after all, has its compensations, had prevented the owners of broad acres from making their return in time, an extension had always been readily granted by the Treasury.

In October Mr. Lloyd George summoned two more conferences, one with representatives of Building Societies and small property



owners, the other with representatives of the building trades. He heard complaints, he received suggestions, he promised amendment in some cases, and careful consideration in all. The notable fact was that the criticisms put forward were upon comparatively minor points.<sup>1</sup>

His speech in October at the City Temple<sup>2</sup> was sneered at as a "sermon" by some, and denounced as Socialism by others, but for the most part it was admitted even by his political opponents to be a sincere revelation of the devotion to social service which inspired him, and a masterly exposition of high ideals. The "Times" commended its philosophic handling of its theme, and the sincerity and moderation of its tone. The "Spectator," speaking as usual for the superior person, was almost alone in condemning it. It is a fact that has been illustrated more than once in Mr. Lloyd George's career that he cannot tolerate the superior person. He does not like being lectured, and he is inclined to give short shrift to the presumptuous arrogance of self-appointed censors of political morality. His retort upon the "Spectator" added appreciably to the gaiety of the political world. "The editor of the 'Spectator,'" he said, was "an exceedingly pretentious, pompous, and futile person." He had predicted that Mr. Lloyd George would be found with a deficit of 16 millions. Instead of this deficit there was a surplus. "Now he says that I am a most incompetent financier." The "Spectator" complained that there was nothing original in Mr. Lloyd George's comparison between wealth and poverty: it had been done before. Was nobody to be allowed to utter commonplaces except the editor of the "Spectator"? "This much I will admit," he continued, "that few have the power which the "Spectator" possesses of rendering commonplaces harmless by making them uninteresting."

The Conference sat on into the middle of November. At the end of July Mr. Asquith had announced that, after twelve meetings, its discussions had made such progress, that although no agreement had yet been reached, it was not only desirable but necessary, in the opinion of all its members, that the discussions should continue. In the meantime controversy upon the House of Lords was hushed. The Liberals viewed with some impatience the prolongation of negotiations which, most of them thought, offered little hope of a satisfactory settlement, even though the personnel

<sup>1</sup> I do not forget that the Form was the subject of an adverse judicial decision. But the Form was only decided to be illegal in one case, viz. when it was served upon an owner who was also occupier of the land in respect of which a return was required.

<sup>2</sup> Vol. iv. pp. 765-775.

of the negotiators put out of the question any possibility of a betrayal or surrender of any fraction of the essentials of the Liberal claim. Meanwhile the Conservatives on their side were engaged upon a difficult search for favourable fighting-ground. Mr. Jesse Collings and his "Rural League" were thrusting a policy of small ownership into prominence, and Mr. Balfour lent them his powerful aid in an important speech at Edinburgh in October. But he did not, as the "Morning Post" pointed out on the next day, "give the slightest indication of how the extension of small holdings was to be affected." The by-elections, culminating in Sir John Simon's most conclusive triumph at Walthamstow upon his appointment as Solicitor-General, sadly discouraged Unionist hopes. Complaints about Mr. Balfour's leadership grew louder every day, and to most Tariff Reformers he was by this time thoroughly suspect.

In the autumn, and while the Conference still sat, the zeal of the Tariff Reformers for their policy seemed to be breaking all the fetters with which orthodox Conservatism and Unionism would have bound it. In the glamour and the glow of that bright policy all other considerations paled. They had realised that Ireland's hostility to Unionism and all its works would always, while the legislative Union was maintained in its existing form, be an impediment to the Protectionist policy. The best way of getting the Home Rule question out of the way was to grant Home Rule. The editor of the "Observer," who had so successfully urged the Lords to throw out the Budget, now turned his attention to the more formidable task of persuading Unionists that, after all, the measure of Home Rule which Mr. Redmond and his followers asked might safely be granted.

I must not trespass, attractive as the theme is, upon the domain of the political historian except in so far as a narrative of the more salient events of the period is necessary for the understanding of the great victories in which Mr. Lloyd George played so distinguished a part. At the end of October Unionist newspapers and Unionist individuals of the rank and file were rallying to the standard of Irish self-government. It was quite certain, Mr. Garvin said, that the battle of Home Rule could never be fought again on the old lines. It was recognised that there was no fear left in reasonable minds of the supposed disloyalty of Ireland: so widely had the new belief spread that an association was even formed to combat what one Tariff Reform journal naïvely called "the spread of the Devolution movement in the Unionist Party."

On November 10 Mr. Asquith announced that the Conference had failed to arrive at a settlement, and the Unionist movement



towards Home Rule turned into a wild and riotous charge in the opposite direction. Mr. Garvin's paper, the "Observer," which on October 30 had preached to its readers that there was now "a changed Ireland in a changed Empire in a changed world," and warned them that if the Unionists attempted a struggle upon the old lines, there was not a shadow of probability that it would be attended with the old success, burst in the middle of November into a campaign on lines which were original only in their fatuity. Mr. Redmond had just returned from Canada and from the United States, where he had been conducting a Home Rule campaign, and had succeeded in raising a large sum from the friends of his cause to assist the Irish Party in the election. "What is the dominating fact?" the "Observer" cried. "It is this—that Mr. Redmond landed at Queenstown last night with two hundred thousand dollars in his pocket, for the purpose of tearing down the British Constitution with American money." There was perhaps nothing remarkable in this ebullition, except by contrast with the calm which had preceded it: what was strange and noteworthy was that on platforms throughout the country Unionist orators put into the strongest language of which they were capable the surprising argument with which their newspapers had provided them. Lord Rosebery, in a "non-party" speech at Manchester, gave it his approval and graced it with his humour. The fact that many thousands of the dollars had been subscribed by Canadians, among whom Sir Wilfrid Laurier was included, did not cause these stern judges to relent.

Ridicule was the best way of dealing with an argument of that kind. At Mile End<sup>1</sup> Mr. Lloyd George contrasted the new Tory conception of the Irishman with their earlier pictures. The Tory Party, he said, must always have a bogey. Like certain savage tribes, they were addicted to devil worship. At the last election, the Germans were the bogies. In 1900 it was the Dutchmen; in 1895 it was Irishmen; in 1885 it was Mr. Joseph Chamberlain. Now, having exhausted the list, they were going round to the Irishmen again. But he was a different kind of Irishman from the Irishman of '95. That Irishman was a midnight assassin—ragged, tattered, fierce. The Irishman of the day was "a gilt-edged bogey, framed in American dollars."

Since when, he asked (in words which gave grave offence to one noble house) had the British aristocracy started despising American dollars? Many a noble house tottering to its fall had had its foundations underpinned, its walls buttressed, by a pile of American dollars.

<sup>1</sup> November 21, 1910.

He gave a more serious answer to the stupid taunt when he reminded his audience who the men were who were sending the "American dollars" home. They were the same men, or the children of the same men, who, before the great days of Mr. Gladstone, had sent their earnings to Ireland to pay the rack-rents of Irish landlords, and to keep the old people from being thrown out of the cottage built with their own hands. In twenty years 80 million dollars had passed from America to Ireland to pay Irish landlords. The leader of the Tory Party in the House of Lords was a Tory landlord—had he not better ask how many American dollars he received? It was to these exiles that Mr. Redmond had appealed to help their country. He had said to them: "You are wasting your money. You help us to get liberty for Ireland, and then the dominion of the landlords will be at an end." And they subscribed, not 80 millions, but a very considerable sum.

But a large proportion of the "American dollars" came from Canada. Since when had Canada been a foreign country? "When Canada and Canadian statesmen are to be used as an excuse for taxing the bread of the people, then Canadians are 'our kith and kin beyond the seas,' 'our dearest relations.' But when Canadians subscribe money for the purpose of enabling Ireland to win the same measure of self-government as they themselves enjoy, then Canadians are 'aliens tearing down the Constitution.'"

The breakdown of the Conference had brought back, as Mr. Asquith frankly said, "a state of war," and it was impossible for the Cabinet, consistently with their pledges and their policy, to continue to carry on the King's Government while they remained exposed to the veto of the Lords. In April, immediately before the illness and death of King Edward had changed the situation, Mr. Asquith, after consultation with his colleagues, and after obtaining the King's approval of his language, had announced that if the Peers did not accept the policy of the Government for restricting their powers, the Government would either resign or dissolve. They would dissolve, however, only under such conditions as would secure that in the new Parliament the judgment of the people as expressed in the election would be carried into law.

The end of the truce had brought back the situation of April. In these conditions the Cabinet met on November 15, and drafted a memorandum in these terms:

His Majesty's Ministers cannot take the responsibility of advising a dissolution unless they may understand that, in the event of the policy



of the Government being approved by an adequate majority in the new House of Commons, His Majesty will be ready to exercise his constitutional powers, which may involve the prerogative of creating Peers, if needed, to secure that effect shall be given to the decision of the country. His Majesty's Ministers are fully alive to the importance of keeping the name of the King out of the sphere of party and electoral controversy. They take upon themselves, as is their duty, the entire and exclusive responsibility for the policy which they will place before the electorate. His Majesty will doubtless agree that it would be inadvisable in the interests of the State that any communication of the intention of the Crown should be made public unless and until the actual occasion should arise.

Lord Crewe interviewed the King as the emissary of the Cabinet, and His Majesty, facing the contingency that might arise, and entertaining the suggestion of his Ministers "with natural reluctance," came to the conclusion that he had no alternative but to assent to the advice of his Ministers. Thus another and a long step was taken towards the supremacy of the democratic Chamber, and the Royal Prerogative, once an instrument of tyranny, was constitutionally invoked to ensure that the will of the people should prevail. The Government was winning its way slowly and painfully towards a position of authority no longer divorced from power. Their masterly conduct of the situation had at last brought them into a position of advantage in which, unless the mind of the electorate had changed, the knell of the Peers' veto must be sounded. If the King had declined to accede to their request, they would have resigned, and a dissolution would have been inevitable. The wise discretion of the King avoided an election fought under such conditions that the name of the Crown must have been made the centre of electoral turmoil. Ministers went to the country, naturally and properly with no revelation, other than might be implied from their previous declarations, of the course they had proposed to the King. The Parliament Bill was the vital issue before the electors. They had to choose between that and the resolutions moved by Lord Lansdowne on the eve of the election embodying the principle of the Referendum, an instrument of democratic government for which the Peers, in their dire straits, conceived a sudden affection. It would be beside our purpose to tell the story of the election, of the enthusiasm created in the Conservative Party by Mr. Balfour's abandonment of Tariff Reform, and of the failure of that desperate jettison. The Government came back to power with its position slightly improved, and as there was no longer any probability of a divergence between the views of Liberals and Nationalists, its position was for that reason stronger. The

constitutional issue had been paramount, but it had also been made abundantly clear by all the Liberal leaders that the Government would proceed with the full Liberal programme, including the grant of self-government to Ireland. "As the Prime Minister has already declared," Mr. Lloyd George said at Bangor on December 9, "we have no intention of shirking Home Rule. After disposing of the veto of the House of Lords, the first thing will be to reconstruct our present Imperial machinery in such a way as to free the House of Commons from trivial local and provincial details, which can be attended to so much better in the districts concerned, in order to leave Parliament untaxed for the purpose of attending to the immense Imperial questions that are awaiting consideration." Nothing was more significant of the changed temper of the English people than the fact that the strong efforts which were made by the Tory leaders to extract from the Government's adoption of a Home Rule policy every ounce of prejudice that it would yield, left the electors cold and unmoved.

Mr. Lloyd George was busy during the election, until in its closing stages he fell ill and had to keep out of the fight. After a speech at Edinburgh at the end of November, he went to Wales, and addressed meetings between November 29 and December 12 at Cardiff, Llandrindod, Pwllheli, Wrexham, and other centres. He had a new opponent in the Carnarvon Boroughs—Mr. A. L. Jones—and his majority this time was 1,208.<sup>1</sup>

When the campaign was over, his health was in such a condition as to cause some anxiety. He was suffering from an affection of the throat, happily not serious, as the event showed, but troublesome and necessitating care. At the first opportunity he started for the Riviera, where he had planned to spend Christmas.

A mild sensation was provided during the Christmas holiday by the publication, in the French Socialist journal "L'Humanité," of the report of an interview with the Chancellor by M. Jean Longuet, at 11, Downing Street. It was a strange fact, and rather a saddening fact to Liberals, that in their struggle with the Lords they had not had the main body of French Liberal sentiment with them. This was largely due, no doubt, to an imperfect understanding of the question. Frenchmen are certainly as a rule no better instructed upon English politics than Englishmen are upon the politics of France, and when that is said it would be impossible to say much less of their insight into our affairs. During the campaign of 1910 it was quite obvious that the great majority of London correspondents of French newspapers were

<sup>1</sup> The figures were: D. Lloyd George, 3,112.

A. L. Jones, 1,904.



men of Conservative sympathies, so that the French public, which was in no position to judge for itself at first-hand, had been sedulously taught that "Lloyd-Georgeism" was another name for fierce and unscrupulous demagoguery. Only the Socialists showed any enthusiasm for Mr. Lloyd George's Budget, and their support was the reverse of a recommendation to the mass of French sentiment. It must be borne in mind that any attack upon the landed interest had a dangerous sound to men living in a country where land was not the monopoly of a few, and where a great system of peasant proprietorship had made the democracy very jealous of anything that looked like a severe imposition upon landowners. Mr. Lloyd George, in his talk with M. Longuet, tried to remove some of these prejudiced impressions. Unfortunately, however, the interview lost much of its value as a faithful record, and even became a source of some embarrassment, because M. Longuet failed, for reasons that seemed to him sufficient, to carry out his promise to submit the draft of what he proposed to publish to the other party to the conversation. The result was that there were passages in it which, unintentionally no doubt, misrepresented the effect of Mr. Lloyd George's words, and it was fairly obvious on the face of the article that the interviewer had read into Mr. Lloyd George's expressions of opinion a good many of the thoughts of his own mind. M. Longuet described, for instance, how, greatly daring, he had asked the Chancellor what was his final solution of the land question. "The Chancellor," he went on, "looked at me with a smile; but I felt that he is at heart ready to go as far as our Socialistic solution of land nationalisation. *But he did not tell me so.*" The italics are M. Longuet's own.

When due allowances are made, there remains much in the interview which is of interest. "The British are a strange people," the Chancellor was reported to have said. "They are capable of the most daring legislative acts, and yet at other times they are afraid of the smallest reform." He gave as instances the readiness with which they had accepted the daring policy of a grant of self-government to South Africa, and the uproar which his small tax upon land values had aroused. "One day," he said, "they will face a lion: the next they are afraid of a flea-bite."

M. Longuet's impressions are also worth quotation. The language of the Chancellor, he thought, recalled "the revolutionary mysticism of Cromwell's soldiers." In appearance he found Mr. Lloyd George to be "a pure Celt from top to toe." If he were met in the streets of Paris he might well be taken for "un Français de France."

The publication of this interview in "L'Humanité" led to

fresh protests against the Chancellor's Socialism at home. The "Daily Telegraph" cabled to Mr. Lloyd George, now on his way to the Riviera, to ask whether it was an authentic interview. He replied stating the fact that he had not seen or heard of it, and did not know it had appeared. "I had asked you," he wired to M. Longuet on Christmas Day, "if you meant to publish anything, to follow the usual practice and let me see it beforehand, and I regret that this was not done, since I would have made many material modifications in form and substance. I do not question your honesty or your good faith, which are above suspicion, but inaccuracies of that sort are inevitable when a private conversation is reported, even with your perfect mastery of the English language, when each of the two persons concerned has not carefully revised the text."

In France, of course, the interview as it appeared only convinced the Liberal bourgeoisie of the sinister Socialistic intentions of the English Minister. Fortunately, however, Mr. Lloyd George was able to correct, if not entirely to remove, this impression by a subsequent interview with M. Jules Hedeman, of the "Matin." He expressed to M. Hedeman his complete confidence in the Bills which M. Briand had introduced for the settlement of railway strikes, Bills which the Socialistic deputies had strongly opposed. M. Briand had found his solution of this labour problem in arbitration, and it was hardly necessary for Mr. Lloyd George, with his record at the Board of Trade, to say that in his view that was the proper way in which to approach the difficulty. In defence of his own policy he asked why it was that his Budget proposals were unpopular in France. Did Frenchmen know that land in England paid hardly any taxes, and that there was no general valuation of land? It was incomprehensible, he said, that the country which, a hundred and twenty years before, had resorted to violent methods in order to achieve liberty, should now criticise the pacific solution of the British Government. Nor could he understand the foundation of an idea which he had seen expressed in French newspapers, that the Conservative Party was more friendly to France than the Liberal. The whole history of the Liberal Party had been one of friendship to France, and of a friendship that had never faltered when Conservative politicians were seeking to stir up strife between the two nations. The interviewer suggested that the fear in some minds was that England's value as a friend would be less under the Liberals because of their supposed indifference to naval supremacy, and gave Mr. Lloyd George an opportunity of assuring the French public that the Liberal Government was determined to maintain a Navy which would give us an unchallenged superiority.



## CHAPTER VII

### I

1911—The Insurance Bill—A strenuous rest-cure—The Bill introduced—A cordial reception—Misrepresentations—A change in the Opposition's attitude—Mr. Bonar Law faces both ways—The domestic servant—The doctor's grievance—The Insurance Act at work—Mr. Churchill's comments.

THE year 1910 had been made memorable by its two elections: the next year, from the point of view of the political historian, is even more distinctly an *annus mirabilis*. It saw not a final, but at least a decisive, step taken in the constitutional struggle, and at the end of it, if the way had not been entirely cleared and levelled for Liberal measures of reform, at least it was out of the power of the House of Lords to make the road permanently impassable. In that struggle the Chancellor of the Exchequer had played his part in common with the rest of the Cabinet, and had fought with no less spirit than of old. The heavy duties always associated with his office, and growing now beyond all experience, might have been enough to engage the whole thought and energy of a Minister of ordinary activity, even if they had not been coupled with the anxieties of a constitutional crisis. It is characteristic of the amazing energy of Mr. Lloyd George that he chose this period for the introduction of the great measure of insurance upon which he had been engaged since his visit of investigation to Germany. His choice of such a time was in part the outcome of his settled belief that Liberalism would lose, and deserve to lose, the support of the people if it could show nothing, to those who asked what it had done to remove the ills against which it declaimed, except a blank record of frustrated endeavours. The year 1912 had been reserved in advance for the introduction of great controversial measures long at issue between Liberals and Conservatives. These could not usefully be introduced until the Parliament Bill had been carried through. But upon the question of National Insur-

ance there was general agreement, and he determined to seize the opportunity of getting his proposals embodied in an Act of Parliament while time remained. He had, by the agency of competent investigators, collected a mass of information as to the methods of other countries, and at the beginning of 1911 the work of drafting the Bill was in active progress. He himself unhappily had not yet recovered from the illness which had overtaken him, and medical advice forbade him to return to London. He spent some time upon the Riviera, and finally settled at Beachborough, near Folkestone, where Sir Arthur Markham lent him his house. Here he had a private telephone line installed, and day by day he was kept in touch with the work of his department and the progress of the drafting of his Bill. His interest in it was not confined to general principles: he wrote constantly with suggestions upon points of the most minute detail, and interested himself in the enormous task of shaping an enactment of inevitable complexity with a vigour which would have been surprising even in a man in the most robust health. In fact, what was to him a rest-cure at Beachborough would have seemed to many men a period of stress and over-work. Fortunately, his constitution stood the strain, and in the spring he was well enough to come back to London and to undertake the piloting of his measure through the House.

On May 4, the Bill was introduced in an atmosphere of friendly approval. It was, as Mr. Lloyd George said, a relief to the House to turn from controversial questions to one which had never been the subject of controversy between the parties in the State.

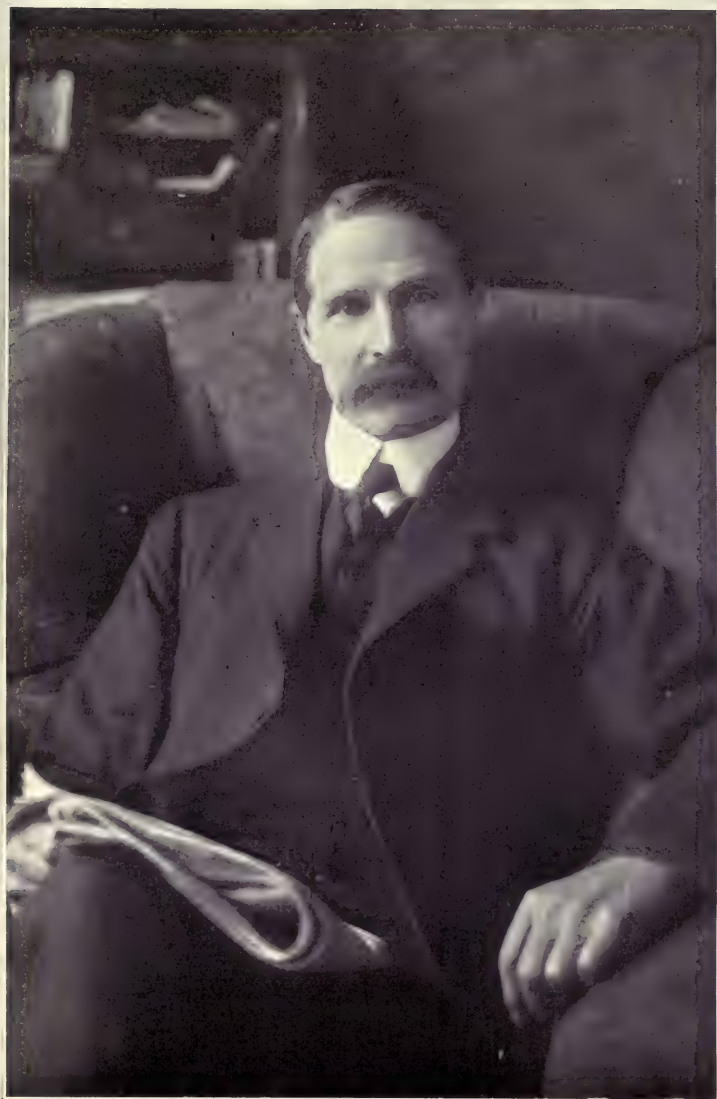
"I can honestly say," he said in one of the noblest of his perorations, "that I have endeavoured to eliminate from the scheme any matter which would cause legitimate offence to the reasonable susceptibilities of any party in the House."

I feel that otherwise I would have no right to appeal, not only for support, but for co-operation. I appeal to the House of Commons to help the Government not merely to carry this Bill through, but to fashion it; to strengthen it where it is weak, to improve it where it is faulty. I am sure if this is done we shall have achieved something which will be worthy of our labours.

Here we are in the year of the crowning of the King. Men from all parts of this great Empire are coming not merely to celebrate the present splendour of the Empire, but also to take counsel together as to the best means of promoting its future welfare. I think that now would be a very good opportunity for us in the homeland to carry through a measure that will relieve untold misery in myriads of homes—misery that is undeserved; that will help to prevent a good deal of wretchedness, and which will arm the nation to fight until it conquers "the pestilence that walketh in darkness, and the destruction that wasteth at noon-day."



The motives which prompt a great measure in the minds of its advocates are usually mixed. It could be argued with plausibility by the opponents of the constitutional reforms of the Government, even where they only redressed the balance, that they were redressing it in favour of their authors, and so were prompted by partisan motives. The atrabilious critic could always say, even of the Old Age Pensions Act, that it was a gigantic bribe. But it was difficult for the most prejudiced or cynical mind to find any motive at the back of the Insurance Bill which could be represented as other than worthy. It was not, and no one ever hoped that it could become, for many a long day, a profitable investment from an electioneering point of view. The principle of contribution, which had been so strenuously urged by Conservatives in the case of old-age pensions, had been necessarily and properly adopted for this wider measure, and nobody likes paying, especially when there can be no promise of any immediate return. It was necessary also, if the scheme was to effect its purpose and not to be restricted to those workers who were both naturally thrifty and comparatively well-to-do, to make it a compulsory scheme, and English people have a notorious distaste for compulsion in any form. Moreover, since such a measure must be as wide and as complex as the whole field of employment, in a country in which the diversities of trade have brought into being occupations and systems of employment in such infinite variety, it was inevitable that an Insurance Bill should contain a mass of detail, not only baffling to the legislator, but also exposed to criticism at a thousand points, most of them minute to the general public, but each of them charged with momentous consequences to the body which it affected. Here, then, was a task which, even with the cordial co-operation of the representatives of different interests, and a general desire to help if necessary by sacrifice, and certainly by sympathetic aid, must be one of difficulty, and, so far as its authors considered their popularity, of danger. It was certain from the first that, unless public men of all shades of opinion could be relied upon honourably to abstain from appeals to uninstructed prejudice, and to resist all the temptations that would certainly be offered to misrepresent the provisions of the measure, the Chancellor of the Exchequer, who had staked his reputation upon the measure, might easily find that his efforts on behalf of the people would bring upon him and the Government to which he belonged an unpopularity which a policy of lethargy and indifference might have avoided. And if any one be found to say that such a statement is an admission that the Insurance Bill lacked in democratic quality, the answer is that the leaders of democracy will be false to their trust if they shrink, by fear of



RIGHT HON. A. BONAR LAW.

*(Photograph by Bassano, Ltd.)*





immediate consequences, from giving effect, by means easily misrepresented and subject to unpopularity, to great ends which the people have sanctioned.<sup>1</sup> One high qualification for his task Mr. Lloyd George possessed. Where the consent of the people of the country had to be won to a plan, the motive of which was admittedly the betterment of their lot, it was a great gain that the statesman who proposed it should have, not only the capacity to construct, but the power to persuade. We are all very ready to despise the cheapjack wiles of the demagogue, and quite rightly. But it would be foolish to ask that an orator, possessed of an amazing gift for making his doctrines and his policy attractive to the masses of the people, should refrain from using his great power to recommend, not a catchpenny nostrum, but a sovereign remedy.

Of course all this supposes that in principle at least the measure is one upon which there is no serious disagreement among enlightened men. It is not an exaggeration to say that Liberals, Conservatives, and Labour representatives alike greeted the Insurance Bill as a great measure which called for only friendly criticism. The first and second readings of the Bill<sup>2</sup> were carried without a division in the House of Commons. Mr. F. E. Smith represented the view of the Opposition when he said at Birmingham<sup>3</sup> that the failure of the Bill to become law, in some form or another, would be an unparalleled misfortune to the State. "No temptation born of party spirit, no desire for an Opposition advantage, would induce him to oppose the main features of the Bill for a single moment. It bound the employer, the State, and the employee in a common bond, and it recognised the solidarity of the nation." Upon the second-reading debate, when the measure was in the hands of the House, the Bill was still adjudged to be, as Mr. Locker Lampson put it, "a sincere attempt to diminish the great mass of human ills," and although there was criticism of details, there seemed to be no doubt that the great boon of insurance would be granted to the workers of the country, by the initiative of the Government and the Chancellor of the Exchequer, no doubt, but with the goodwill of all parties. The criticisms of the Opposition were mainly

<sup>1</sup> "If every effort to do the right and straight and honest thing is to be discouraged by taking advantage of what is, on the whole, one of the best things in the scheme—but one which will take time to bring conviction to the working classes as to its righteousness—it will end in a parasite democracy like that which ruined Rome, when they expected all to be done for them by gifts and alms and charity, without any contribution being demanded from them. That is not statesmanship. That is the way to rot democracy, and unless there are men who have got the courage to face that temporary unpopularity, and to call upon the people under schemes of this kind to pay their fair share, it will be the ruin of the British democracy, as it was the ruin of the Roman democracy." (Mr. Lloyd George in the House of Commons, July 18, 1912.)

<sup>2</sup> May 4 and May 25, 1910.

<sup>3</sup> May 12, 1911.



directed to two points. They objected to the inclusion of unemployment insurance in the Bill, on the ground that two problems so great and so varied as health and unemployment insurance could not be debated satisfactorily if they were included in one Bill. The answer of the Government was that the two were regarded as inseparably linked : the twin evils of sickness and unemployment which, between them, did more to create pauperism than any other cause, must be attacked together. It was idle to wait until the country was in the grip of a bad winter to seek to mitigate the rigours of unemployment : we could not always, in Mr. Churchill's phrase, "be content to oscillate between torpor and panic."

The only serious trouble with which the Government seemed to be threatened came from the doctors, who were naturally anxious that their interests should be safeguarded. Mr. Lloyd George was fully alive to their claims. He had framed his measure to allow the insured person a free choice of doctor, and to protect the medical practitioner against the tyranny of any club or society. He purposely refrained at first from fixing the doctor's capitation grant, but he promised that his proposals would make medicine a better profession. He had found by impartial investigation that some doctors were wretchedly underpaid. "Sweated labour," he wrote, "is the worst labour in the world. If you want to get the best out of a man, you must pay him a wage which satisfies his reasonable demands. Improve the position of doctors, and you improve the general health of the country. And I want to make the nation more healthy than it is. A great mass of the illness which afflicts us and weighs us down is easily preventible. It is a better thing to make a man healthy than to pay him so much a week when he is ill."

At the close of his speech on the second reading, Mr. Lloyd George declared with emphasis that "of course the Government meant to get the Bill through during the year," and certainly the omens were almost all favourable.

Mr. Lloyd George has shown throughout his career as a Minister an unconquerable faith in the value of conferences and of deputations, and he has done not less good and effective work sitting with habitual opponents at a round table than he has done upon the platform. In the interval between the second reading and the Committee stage of the Bill, he met representatives of the medical profession, of the Friendly Societies, of municipal authorities, and, last and most important, of the views of women. In each case the interview had good results, and although he had not yet completely healed the differences between those old adversaries, the doctors and the Friendly Societies, or framed a scheme satisfactory to

both, it seemed probable that a way would be found to adjust their conflicting claims and to do impartial justice. The hopeful feature of the situation was still the anxious desire of all men of light and leading to help the measure to the Statute Book.

But in July there were evil symptoms of a change in the attitude of the Opposition, not, indeed, as yet, in the House of Commons, but in the country. In the constituencies, and especially at by-elections, not the details alone, but the main principles of the Bill, were bitterly and unscrupulously attacked. A large section of the Tory Press lent itself unreservedly to the work of wrecking the Bill. It was called in one paper "the malingeringer's millennium" and "the cheat's charter." The Liberal Unionist Party issued a leaflet which attacked the contribution to be levied under it as "a compulsory payment towards Socialism." At the Luton by-election (July 20) this leaflet, which contained what Mr. Lloyd George afterwards characterised as "a chaos of impudent misstatements," was circulated broadcast, and electors were asked to vote for the Conservative candidate and "save the Friendly Societies." At Middleton, where the Tory candidate was Mr. Hewins, the Protectionist professor of economics, the voters were boldly asked to "kill the Bill." In the House of Commons, meanwhile, the tone of the criticisms upon the Committee stage was still friendly. It might almost have been the Patents Bill or the Merchant Shipping Bill that was being discussed. In August, when the House rose for the recess, Mr. Lloyd George expressed his cordial recognition of the way in which all parties had responded to his invitation to help him in moulding the scheme, and Mr. H. W. Forster, speaking for the Conservatives, claimed that the Opposition had kept their promise of co-operation and good-will in the discussions. "The Chancellor of the Exchequer," he said in a generous tribute, "is master of the art of conciliation, and no one could pilot a difficult Bill through the House with more success." For the Labour Party, Mr. Roberts, while he was anxious to make it clear that his colleagues supported the health-insurance part of the Bill only with the proviso that, if they failed to get unemployment insurance with it, it "would not be quite acceptable to them," said uncompromisingly that the Bill opened a new era.

The progress made during thirteen days in Committee had not been rapid (seventeen out of eighty-seven clauses had been debated), but many of the most controversial points of the Bill had been reviewed, and there seemed to be no reason to fear that there would be any difficulty in passing the Bill, after full and ample discussion, through the Commons in the Autumn Session.

But in the country the campaign against the Bill continued



with increasing force, and with a wealth of misrepresentation. The temptation for the Opposition was undoubtedly strong. The passions roused by the passing into law of the Parliament Act were at their height, and as the people had refused to be moved to compassion for the Peers or the Tory Party, it was hard to be asked to forgo an opportunity which lay ready to hand of discrediting Ministers in another direction. The Press, playing upon feelings readily influenced by the agitator, had undoubtedly stirred up a great amount of hatred against a Bill which would demand payments down for benefits to come. Tory candidates, burning with indignation against the Government, found in the constituencies numbers of electors, not pledged to any party, who were only waiting for the invitation to abuse a measure which they imperfectly understood. Was it to be asked of a candidate in such conditions that he should expound the great merits which underlie the less attractive features of insurance, and spend his time in denouncing the stupid folly or wicked deception which spoke of contributions as mere taxation, and sought to condemn the benefits of the Bill as illusory? Most of them thought not. The case is neatly stated by a historian who writes, as a rule, with a distinct, though not exaggerated, bias in favour of the Unionist Party: "The political situation in other respects was such that genuine co-operation with anything proposed by the Government was hardly possible if party capital could be made for the Unionists by what was unpopular in its programme."<sup>1</sup>

Many Socialists in the country, though not the Labour Party in the House, added their denunciations to those of the Tories. They found a grievance in the exaction of contributions from the workman, but, to the lasting credit of trade unionists, of the Labour Party, and of the Labour leader, Mr. Ramsay Macdonald, who risked unpopularity by a consistent support of the Bill, little impression was made upon the army of organised workmen.

It became, however, increasingly doubtful whether the Bill could be carried through during the year. The hope of the obstructionists was in the play of conflicting interests. The Bill, if passed without the general consent of many of the interests affected, would never work. It was announced so insistently and noisily, by widely circulated journals, that the Bill was dead or moribund, that people began to believe it.

The attacks upon the Bill in the country were singularly different from the criticisms in the House of Commons. The most striking instance of this is to be found in the notorious campaign against the State insurance of domestic servants. The duty of

<sup>1</sup> Mr. Hugh Chisholm, in the Year-book of the "Encyclopædia Britannica," 1913.

sticking stamps upon a card was regarded, it seemed, in certain select circles as distasteful, and almost indelicate. Mistresses were called upon to resent the indignity of being forced into the position of tax-gatherers: servants were told, with a confidence which must have seemed tinged with irony to many an overworked drudge, that they were always so secure in the bounty of their opulent employers that they had no need of insurance. The domestic servant and the underpaid clerk became prime objects of the solicitude of those who aimed at wrecking the Bill.

Meanwhile Mr. Lloyd George was making use both of his powers of platform oratory and of his skill as a conciliator. He employed this recess as he had employed the last, in meeting deputations, hearing their views, and conceding their demands whenever it was possible to do so. Here his genius for conciliation, not for the first time, stood him in good stead; it was almost certain, when the Autumn Session began, that the end of the year would find the Bill passed into law. But it was not to pass through the smooth waters which the blessings of the Opposition had seemed to presage when it started its journey. The responsible leaders of the Opposition had not remained deaf to the clamour outside, or blind to the advantages which hostility to the Bill might, at least temporarily, confer upon them. Their attitude in the House changed from frank and open friendliness to covert hostility. They excused themselves on two grounds. First, they were indignant at the use of the "guillotine" to curtail debate, and argued that so comprehensive and complex a measure should have longer and fuller consideration, and should not be carried through within the year. The fact that the Government was pledged to introduce in 1912 great controversial measures, each of them, in the opinion of Liberals, long overdue, was rather an inducement than otherwise to the Opposition to make much of the need for prolonged discussions upon the Insurance Bill. The truth was that, if the Bill had been debated for ten years, there would still have been points left in doubt. It was not a perfect measure, but no amount of discussion would make it a perfect measure. The Solicitor-General (Sir John Simon) put the whole truth into a homely parable, when he said, "Before you know where the shoe pinches, you must wear it."<sup>1</sup>

If they had taken another year, Mr. Lloyd George said on the third reading, they would still be face to face with the inherent difficulties in the problem. The difficulty of the infinite variety of trades concerned, the difficulties in wages, conditions of labour, and methods of payment, would still remain. People would still

<sup>1</sup> In the Introduction to Mr. Orme Clarke's book on the National Insurance Act.



object to pay. The Yellow Press would not be likely to become more truthful or less hysterical. There would still be differences to reconcile. After weeks and months of negotiation with a view to reconciling those differences—and the negotiations had always been treated with sneers and gibes, as if it were an improper thing for a Minister of the Crown to try to reconcile differences—the great Friendly Societies, without exception, had passed resolutions accepting the proposed arrangement. Was it suggested that another twelve months should be given for reconsideration, so as to reopen the old controversy and rediscuss the same thing? Nothing would be gained, and perhaps all those months of labour would be thrown away.<sup>1</sup>

The other defence which the Opposition put forward for a position which certainly stood in need of defence was based upon the Chancellor of the Exchequer's supposed desire to take all credit to himself for the reform, and the flattering exaggerations with which he was accused of recommending his proposal. The conduct of the Conservative Party in making capital, from July onwards, out of the unpopularity of the Bill at by-elections was justified, it was argued, by the fact that the Liberal Publication Department had issued a leaflet in June, which praised the Bill and sought the suffrages of the electors for Liberalism and "Social Reform." That leaflet might reasonably have been countered by the assertion that in this project at least of social reform, Conservatism was working hand-in-hand with Liberalism, but to make it a ground for attacks upon the principle of the measure seems curiously illogical. Mr. Lloyd George, as we have seen, had not weakened in his conciliatory tone, so long as his opponents were fair to him in the House, even when these attacks were being made in the country. It is true that in his speeches he clothed in a wealth of glowing rhetoric the advantages of a scheme the burdens of which were being so persistently advertised and exaggerated. Those who abused him for this forgot that there is no vice in issuing a glowing prospectus, or even in adorning it with the embellishments of oratory, so long as its claims are honest, and its pretensions justified. It was said that he exaggerated, and phrases like the "ninepence for fourpence," in which he crystallised the pecuniary provision which the Bill made for the workman, were quoted in shocked tones as horrible examples of the charlatan's cant. That phrase, taken with its context, was a literal truth. It is the man who argues that to pay fourpence by way of insurance against sickness which never comes, is to pay fourpence for nothing, who is guilty either of ignorant folly or of deceit.

<sup>1</sup> House of Commons, December 6, 1911.

The position of the Opposition was not free from embarrassment. Whether they contemplated the benedictions with which, in the spring of the year, they had welcomed the birth of the Bill, or the prospect that it might, as benefits began to flow, be regarded with a more kindly eye by some of those who now looked upon it with the gravest suspicion, there was material for speculation as to the wisdom of refusing to take a share in the final placing of the measure upon the Statute Book. On the other hand, to support the third reading meant to forgo all profit from the agitation which their allies had so ingeniously and painstakingly fostered. It was left to the genius of Mr. Bonar Law to discover for his party a safe solution of their problem. "We will," he said in an historic phrase, "neither say 'Yes' nor 'No.' If we say 'No,' it implies that we are opposed to the principles and objects of the Bill. We shall not say 'No.' If we say 'Yes,' it implies that we approve of the Bill as it is presented to the House now. We shall not say 'Yes.' " An amendment was moved from the Opposition benches, and supported by all but two Conservatives, which, "while approving the objects of national insurance," stated the opinion that the Bill had been inadequately discussed and would, in its present form, be unequal in its operation, and asked that steps should be taken to enable further consideration of the scheme of health-insurance to be resumed in the following year.

The House of Lords decided, upon Lord Lansdowne's advice, to make no effort to delay the Bill, and on December 11 gave it a second reading. But early in the next year<sup>1</sup> the leader of the Opposition in the House of Commons replied to a plain question from Mr. Asquith in language much more uncompromising than the ambiguous sentences in which he had taken refuge on the third reading. "Is the right hon. gentleman," Mr. Asquith asked, "if and when he comes into power, going to repeal the Act?" Mr. Bonar Law's courageous answer was "Certainly." The evening brought counsel, and the next morning a published statement from Mr. Bonar Law explaining his reply to mean that, unless he came into power before the Act was in force, he certainly would not repeal, but only drastically amend it, gave a welcome touch of comic relief to the melodramatic denunciations, which grew every day louder in tone, of the iniquities of Mr. Lloyd George. A favourite perversion of fact which was much in vogue at this time was given prominence by a placard, published broadcast by the Conservative headquarters, which represented the Chancellor of the Exchequer in the act of taking the fourpences of the workmen in order to endow members of Parliament with their salaries. A league of resisters,

<sup>1</sup> February 14, 1912.



irregular and irresponsible guerillas fighting in line with the main Tory army, was formed to prevent the Act from ever coming into operation. The Bill had most unhappily become a party measure. In these circumstances Mr. Lloyd George decided, to the indignation of his opponents, not to allow the flood of misrepresentation to go unchecked, and in February the Liberal organisation began to use its party funds and its machinery to send out lecturers to explain the Act throughout the country. At an inaugural meeting held at the London Opera House on February 12, Mr. Lloyd George claimed that the agitation against the Act had only two purposes, first, to make it a dead letter, and, failing that, to postpone its operation. Why should the alleviation of human suffering, which undoubtedly the Act would bring, be retarded or delayed? Its opponents were distorting its provisions, instilling false notions about it, poisoning the public mind. "Anything," they said to themselves, "may happen in a twelvemonth. We may get the Government out. Let us get it out before the Insurance Act comes into operation." They knew well enough, he said, that when once the Act was in operation, it would be too late. Lecturers would not be needed then: there would be emissaries in hundreds and thousands of homes, all explaining the Act upon the hearth. Women who had received the maternity benefit, consumptives restored to their homes by the treatment given them by the State, families who had escaped privation and hunger in the dark hour of the breadwinner's sickness, would all be missionaries for the Act, and that was why the Tories wanted to postpone its operation. "Anything at all to postpone the evil hour when falsehoods will be exposed by facts, facts which cannot be denied, nor concealed, nor covered over by all the printer's ink which has ever blackened an Act which they detest."

There were times, as the day in July approached on which the operation of the Act was to begin, when it looked as if the premature rejoicings of its enemies would be justified. Some of the opposition to the Act, it is true, belonged too obviously to the domain of comic opera, to be regarded seriously. The extraordinary demonstrations of the Servants' Tax Resisters' Defence Association at the Albert Hall, at which "not Society, or what is called Society," but "vulgar, ranting people, hanging on the skirts of Society,"<sup>1</sup> met to abuse Mr. Lloyd George as (to quote one of the orators) "a tyrant, gagger, guillotiner, attempting to do what the worst of the Kings in the darkest ages in British history failed to do," were left serenely alone by the responsible leaders, and had little influence in any direction. The anarchy which the resisters

<sup>1</sup> Mr. Lloyd George at Woodford, January 29, 1912.

threatened was never very formidable to the Government, though the resisters themselves were trifling with a dangerous weapon. "You cannot," Mr. Lloyd George reminded them, "make lawlessness a monopoly of the well-to-do. It is a dangerous moment to preach these doctrines. The soil is ready for these tares, and the atmospheric conditions help to promote their growth, and those who teach them are sowing a crop that they may reap in tears in a few years to come."

The real and formidable difficulty in the path was the fact that the doctors, after long negotiations and much internecine quarrelling within their own organisation, were still recalcitrant. It is true that the Chancellor of the Exchequer was prepared for the possibility of the "strike" which the doctors had threatened. The Act could have been worked without them, but it is equally true that without them half its value would have gone. In July the difficulty was still outstanding, and the medical profession had been persuaded, by the assurances of the Press that the Act was unworkable, to take up an uncompromising attitude.

Apart from this difficulty, it had become obvious, by the day in July on which the Act became operative, that the conspiracy in (if not of) the Tory Party to kill or delay it had failed egregiously. It was a conspiracy which had received the benediction even of that pillar of the State and model of correct behaviour, the "Times" newspaper. The spectacle of the august "Times," inciting employers to break the law, and jauntily assuring them that the fines which the Courts would inflict would probably be trivial, had at least the charm of that incongruity which, philosophers tell us, is of the essence of true humour: it was as if a churchwarden were to walk to church on a Sunday, wearing, with a rakish air, the red cap of revolution. In a great and courageous speech, which Mr. Lloyd George addressed at Kennington on July 13,<sup>1</sup> he treated the attitude of the "Times" as it deserved to be treated—as a joke, bidding his audience remember that it was, after all, no more in these days than the 2½d. edition of the "Daily Mail." He was able, in this speech, to quote figures which showed conclusively that his Act was safe. It was not yet in operation, but of the fourteen millions of compulsorily insurable persons in the community, nine and a half millions had already joined Friendly Societies, trade unions, or insurance companies which were "approved societies" under the Act. One effect of this was to put all friendly societies and trade unions (which between them had already increased their membership, as a direct result of the Act, by over five and a half millions) into a condition of impregnable security, and in the case

<sup>1</sup> Vol. iv. pp. 792-801.



of some of the weaker among them, to make them thoroughly solvent for the first time.

The medical benefit was not to begin till January 15, 1913. The result of a report obtained by Mr. Lloyd George from Sir William Plender, the distinguished accountant, who had been permitted to see the accounts of doctors in five typical towns, was to show that the amount which it was proposed to allow the doctors for their services would be no inadequate remuneration by comparison with the average profits of private practice. Mr. Lloyd George quoted the Plender report as his justification, but "even now," he declared, "if the doctors can demonstrate to us that, having regard to the fact that they will give more attention to the working classes than hitherto, they must be better paid, we will meet them."

Unhappily the doctors, who at first undoubtedly had a large body of public opinion on their side, ended by pressing their claims so far as to alienate the bulk of it. As a result of further consideration and negotiations Mr. Lloyd George made a final offer in October, which represented an advance of two shillings (and a contingent advance of 2s. 6d.) on the amount specified in the Act, although it was still 3s. less than the sum demanded by the British Medical Association. Even with this offer before them, the doctors threatened a "strike," and there were those who confidently expected that January 1913 would find the Government unable to provide medical benefits. Fortunately for all concerned, as the day for the formation of the panels approached, the resistance of the doctors began to fall like a pack of cards. In some districts panels were inadequate: in most of them difficulties were only temporary. Every flaw in the working of the Act during the first months of 1913 was exploited by the Tory Press. If patients died although they were insured, Mr. Lloyd George was abused as a murderer: no disposition was shown to give him credit for the lives which the Act had saved.

The Insurance Act was never good business from the point of view of the electioneer. But, judged even by his opportunist standards, it would seem to have been only a temporary handicap to the Government which carried it into law. Amended it certainly will be: only superhuman prescience could have devised a plan which experience would not have shown to be faulty in some of its details. Here, as in so many instances, the statesman who gets something done is the statesman who does not allow the patent impossibility of doing a perfect work to deter him from doing his best. No one has better expressed this truth than Mr. Winston Churchill in a criticism of the complaint that Mr. Lloyd George had been precipitate in launching his scheme, and it would

be difficult to supply a better commentary upon the Chancellor of the Exchequer's achievement :

In Germany they took ten years to establish their system of insurance, and they are improving it yet. Quite true ; but we have taken twenty years—not ten, but twenty years—to do nothing. We have stood looking at it for twenty years, and we should have been looking at it now, and making speeches about it, and shaking our heads over it, and appointing drowsy committees of inquiry, and dealing with mountains of musty blue-books, if one man had not come along—a man of genius, a man of courage, armed with power, a man sprung from the people, who had lived their lives and knew what the health of the breadwinner meant to a humble home ; a man who found a Prime Minister who trusted him and who backed him, and a great party which was an instrument in his hands ; and behold, the thing was done ! It is done and past all recall. We are an insured nation. Whatever may happen to the Government or to individual Ministers, be it bad or be it good, whatever the ebb and flow of party politics may be, this tremendous step, as great as anything which Bismarck ever did for the social life of Germany, has been taken. It can never be retraced, and you and your children and your children's children—every household in the country, every class in the State—will pay the contributions and draw the benefits, and be influenced and affected by this legislation every week of their lives.”<sup>1</sup>

## II

Foreign affairs—Morocco—Mr. Lloyd George at the Mansion House—The reception of his speech—The Railway Strike—Mr. Keir Hardie—Payment of Members.

At the beginning of July 1911, the coast of Morocco became a danger-point in international relations. On the 1st the German Ambassador in London communicated to Sir Edward Grey the fact that the Imperial Government had decided that, for the protection of German subjects and “to support German interests,” it was necessary to send a warship to the Port of Agadir, and that a cruiser had in fact been sent. The announcement implied, of course ; that Germany, who, in the Emperor's words, would not be denied her “place in the sun,” had determined that she must be consulted in regard to the situation which had arisen from the French expedition to Fez and the Spanish occupation of ports in the interior. Sir Edward Grey was informed at the same time that the German Government “regarded a return to the *status quo* in Morocco as doubtful, if not impossible, and that what they contemplated was a definite solution of the Moroccan question between Germany, France, and Spain.” To this country, the importance of the announcement was that there seemed to be no

<sup>1</sup> Dundee, September 11, 1912.



disposition on the part of Germany to consult her, and, although we had no desire to acquire territory in Morocco, still we had interests there and were bound by treaty obligations to France. After consultation with the Prime Minister, Sir Edward Grey told the German Ambassador on the 4th that it would be necessary to discuss the position in Cabinet Council, but that Mr. Asquith and himself "wished the German Government to learn at once that, in their view, the situation was serious and important." The Cabinet meeting was held; and an intimation was given through the Ambassador to Germany that the Government must take into consideration their treaty obligations to France, and their own interests in Morocco, and could not recognise any new arrangements that might be come to without them. A week later the British Ambassador at Berlin took an opportunity, in the course of a discussion about smaller matters, to say to the German Foreign Secretary "that there had been at one time some mention of a conversation *à trois* between Germany, France, and Spain, the inference being that we were to be excluded from it," and the German Foreign Secretary scouted the idea. From that day till the 21st the German Government was silent and the English Government was vigilant. A statement had been published in the Press, relating to German demands as to the French Congo, and this had added to Sir Edward Grey's anxiety. On July 21 he sent for the German Ambassador. He told him that the announcement about the Congo (which was subsequently verified) had made him anxious. He pointed out that the Germans were in the closed port of Agadir, and, for all the Government knew, might be acquiring concessions there. "It might even be that the German flag had been hoisted at Agadir, which was the most suitable port on that coast for a naval base." The longer Germany remained there, the more likely it was that a state of affairs might develop from which withdrawal would be difficult. He said, finally, that he desired to make his Government's position clear while they were still waiting in the hope that negotiations with France might succeed. "It would cause resentment later on if the German Government had been led to suppose by our previous silence—since July 4—that we did not take any interest in the matter." The German Ambassador, while he expressed himself as sure that his Government had no intention of unfairly prejudicing our interests, had no information to give.

It is at this point that Mr. Lloyd George makes his appearance in the narrative. On the day of the interview between Sir Edward Grey and the German Ambassador, he was to speak at the Mansion House. He consulted the Prime Minister and Sir Edward Grey as to what reference, if any, he should make to international affairs.

It was fourteen days since the last public statement about Morocco had been made, and that was only a very short statement by the Prime Minister in the House of Commons. "We were anxious," Sir Edward Grey said later,<sup>1</sup> "as to the way in which things were developing, and we all then felt that for a Cabinet Minister of first-rate importance to make a speech on a formal occasion, and to say no word about foreign affairs after that interval, would be misleading to public opinion, here and everywhere." It was agreed; therefore; that the Chancellor of the Exchequer should make a reference "in general terms" to international affairs.

It was recognised when the speech was made, even by those least conversant with the ways of diplomacy, that the passage in the Chancellor's speech which was the outcome of these deliberations was no mere abstract generalisation, couched though it was in terms which at any time might be regarded as a truism. It was as follows :

I am bound to say this, that I believe it is essential in the highest interests, not merely of this country, but of the world, that Britain should at all hazards maintain her place and prestige amongst the Great Powers. Her potent influence has many a time in the past, and may yet in the future, be invaluable to the cause of human liberty. It has more than once in the past redeemed Continental nations—who are sometimes too apt to forget that service—from overwhelming disaster and national extinction. I would make great sacrifices to preserve peace. I can conceive of nothing that could justify disturbance of international good-will except questions of the greatest national moment, but if a situation were to be forced upon us, in which peace could only be preserved by the surrender of the great and beneficent position which Britain has won by centuries of heroism and achievement, by allowing Britain to be treated, where her interests are vitally affected, as if she were of no account in the Cabinet of nations, then I say emphatically that peace at that price would be a humiliation intolerable for a great country like ours to endure.

The speech was received with some resentment by the German Government. Three days after it Sir Edward Grey received a very friendly message from the Ambassador to the effect that not a man had landed at Agadir, and that Germany had no intention of creating a naval port on the coast of Morocco. But on the next day (July 25), the Ambassador had to tell Sir Edward that his Government would not consent, "in view of the speech of the Chancellor of the Exchequer," to the publication in Parliament of this information as to Agadir. He added a communication from the German Government in regard to the speech which was, in Sir Edward Grey's phrase, "exceedingly stiff in tone." The

<sup>1</sup> House of Commons, November 27, 1911.



Foreign Minister's reply was that the speech could not have created surprise unless there had been some tendency to think that we might be disregarded. The speech, Sir Edward Grey said later in the House of Commons, had claimed no pre-eminence, no predominance, for us in international affairs. It contained no menace. It did not say that there was any particular demand or claim on the part of Germany that was inconsistent with British interests. Its purport and its point was that where British interests are affected, we must not be treated as if we were of no account. "If the time ever comes when this cannot be said by a Minister speaking in the position the Chancellor of the Exchequer was in then, we shall have ceased to exist as a great nation."

Happily, Germany decided not to take umbrage at the speech. In this country some regarded it as an indiscretion and as needlessly provocative : others thought that a failure at that critical moment to make a statement of the kind, which meant much in the language of diplomacy, might have precipitated a conflict by inducing Germany to presume upon the pacific intentions of the Government. According to one view, which was pretty commonly held, Germany had hoped that a Liberal Government, eager always for the world's peace, and intent upon a crisis at home, might be little inclined to assert the claims of its country to consideration. Rumour, on the Continent as well as at home, was apt, no doubt, to credit the Chancellor of the Exchequer, in the light of his past record, and in the light of those caricatures of his opinions which had been busily disseminated during and after the Boer war, with carrying to extreme lengths the doctrine of "peace at any price." His selection on this occasion as the spokesman of the Government may have been due in part to the fact that Germany might be supposed to look upon him as the probable leader of any extreme peace party in the Cabinet. These are speculations, and rather idle speculations. The solid fact remains that two days after the communication that was "stiff in tone" and Sir Edward Grey's firm reply, another message was received from Germany, this time exceedingly friendly, both to ourselves and to France, in which it was suggested that "a public statement that England would be pleased to see a successful conclusion of the Franco-German *pourparlers* would have a most beneficial influence on an auspicious result." The worst was over : there were no further difficulties between the two countries, although there was intermittent tension during the summer and autumn. The chief cause of anxiety during August and September was the fact that, should negotiations between France and Germany have broken down, it was our Government's intention to propose a reference to the

Powers who signed the Act of Algeciras, and that it was feared that Germany would not give her consent to these proposals.

In November, when the Moroccan difficulty had been finally adjusted, the facts which have been narrated here were fully revealed. In the summer only the surface rumours of them had reached the public, and the time of stress and worry through which the Cabinet were passing could not be appreciated, even dimly. In August, when the tension was still acute, and when the battle with the Lords had just reached its final stage, the railway workers of the country, among whom for some time there had again been grave unrest, declared and carried out a strike at twenty-four hours' notice. The Conciliation Boards set up by Mr. Lloyd George's settlement of 1907<sup>1</sup> had been found not to work with sufficient promptitude to satisfy the men, who were labouring again under a sense of heavy grievances. The strike, short-lived as it was, will long be a vivid memory, because of the tragic incidents which marked it as well as for the awful possibilities of mischief and ruin which it seemed to hold. To the Cabinet, with their special knowledge of the foreign situation, the prospect must have been fraught with even more alarming potentialities. In the negotiations for a settlement, Mr. Lloyd George shared with Mr. Sydney Buxton (President of the Board of Trade) the honours of conciliation. The Prime Minister intervened at the beginning of the strike with a firm and resolute insistence upon the necessity of making the rights of the public paramount to the interest of either side in the dispute. He told a deputation of the railwaymen that the Government would have to intervene to keep the railways open, but he offered them a Royal Commission. In any case the Prime Minister would have been right to refuse to allow a remedy, even for admitted industrial grievances, to be sought at the cost not only of the dislocation of commerce, and at least the temporary ruin of thousands, but also of innumerable lives. He was a thousand times right, when full weight is given to the international situation as he knew it. But his offer of a Royal Commission was misunderstood: it was supposed, perhaps not unnaturally, that he had intended to set up one of those lumbering and cumbersome Commissions, which only report in a leisurely way after months or years of evidence and discussion. His resolution was mistaken for a threat, and lying rumours were assiduously spread that he had told the men that the railways would be kept open, even if the soldiers had to shoot down every striker. Mr. Lloyd George played a great part in the subsequent negotiations—with Mr. Ramsay Macdonald ably and honourably seconding his efforts to

<sup>1</sup> See pages 493-496 *supra*.



assuage the suspicions of the railwaymen—and on the second day of the strike the railway managers and the men's strike committee met and agreed to end the dispute, at least for the time being, by referring the whole question to a Royal Commission of five members, which was under an obligation to report as early as possible. In the House of Commons there was a good deal of criticism of the way in which the military had been employed, and the debate gave Mr. Lloyd George an opportunity of exposing and vigorously denouncing a statement which Mr. Keir Hardie had made in Wales, just at the moment when the men he addressed were hesitating whether to strike or not. Mr. Hardie was reported to have given currency to the wicked allegation that Mr. Asquith had said that, if necessary, every striker would be shot down to keep the railways open. His explanation, when he was challenged by Mr. Lloyd George, was that he had told the meeting that no shorthand note was taken of the interview, but that the men said the impression left on their minds was that Mr. Asquith had said that in order to cope with the strike the whole of the forces of the Crown would be used to keep the railways open—"and I added," said Mr. Keir Hardie, "that this meant the shooting down, if necessary, of the men!"

"If there is anything worse than the statement," Mr. Lloyd George replied, "it is the explanation of the hon. member. I say without hesitation that it is contemptible to go down to a meeting of thousands of men and lead them to believe that the man at the head of the Government had said that he was prepared to shoot down every striker. All I can say is that there is no word within the category of Parliamentary language to describe it."

On August 10, the Parliament Bill left the House of Lords for the Royal Assent. On the same day Mr. Lloyd George carried through the House of Commons a resolution which marked another less important but still definite and valuable advance towards the complete realisation of a democratic machinery of government in this country. This was the resolution in favour of payment of members of Parliament. It is easy to cast cheap gibes at the payment of legislators, and the unrequited services of proud patricians are an attractive theme to adorn the rhetoric of those who believe that it is the preservation of anomalies in the constitution that has made Englishmen what they are. But Parliament has ceased to be the preserve of the rich or of well-born placemen, and the fiction that members of Parliament were all men who could find leisure at their own expense to serve their country, had become not only an anomaly, but a dangerous anomaly. Poor men no longer consented to be represented exclusively by the rich. They had



MR. LLOYD GEORGE'S HOUSE AT CRICKIETH.





found a way by combination to effect what the State refused to do, and trade unions had made levies to send men from their own ranks to legislate for them. The judgment in the Osborne case, by which the Courts had held that such levies were not within the scope of a trade union's activities, had made it imperatively necessary to find another way of making it possible for the workman or artisan to reach the House of Commons, and payment by the State was a better way than payment by any other corporation. With a happy metaphor from the discussions round his Insurance Bill, Mr. Lloyd George said that the demand of the democracy was really one for a free choice of doctors. They wanted an unlimited choice among the men who would suit them best. This demand, he said, could only be met in two ways. The first was by raising funds in connection with some great national, agrarian, or labour agitation for the purpose of maintaining, as members of Parliament, men engaged in the agitation. The second was by the organisation of capital and of labour. One objection to the first method was that when the fervour of the agitation died down, it was difficult to keep up the funds for humdrum parliamentary work. An objection that applied in both cases was that it was undesirable that a man should come to Parliament to represent an organisation, whether it was a trade union or any other. A man ought to be in Parliament to represent the whole body of his constituents. When men of small means came into the House by the assistance of some powerful combination, they were adopting an expedient to which the necessities of the case drove them. Either we must submit the electorate to a restricted choice, or find some method by which men of limited means, with the capacity as well as the desire for public service, would be able to enter the House. Unless such a method were adopted, the nation would lose the services of a large and growing class of men, of wide culture, of high intelligence, and of earnest purpose. The £400 a year which the Government asked the House to vote as a member's salary was not a recognition of the magnitude of the service, not a remuneration, not a recompense, not even a salary: it was just an allowance, the minimum allowance which enabled a man who might render incalculable service to the State to reach Parliament.

He directly challenged the assertion, often so confidently made, that payment for public service involved some danger of degradation. Was the professional soldier less a patriot than the volunteer? The administrators of the law were paid: why should the making of laws be necessarily gratuitous?



## CHAPTER VIII

Women's demand for the vote—Mr. Lloyd George and the "Suffragettes"—He addresses a deputation of women suffragists, November 1907—Disorder at a Queen's Hall Peace meeting—Incitements to riot in Trafalgar Square: Mr. Lloyd George called as a witness—Albert Hall meeting, December 5, 1908—An incident at Limehouse—The Conciliation Bill of 1910: grounds of Mr. Lloyd George's opposition—Mr. Asquith's pledge—Mr. Lloyd George addresses the N.L.F. on the Suffrage—With Sir Edward Grey at the Women's Liberal Federation meeting (December 18, 1911)—Women's Suffrage meeting, February 23, 1912—The Conciliation Bill, 1912—Disturbance at Llanystumdwy—The Reform Bill, 1912—The Speaker's ruling and its results.

IT would not be right to bring this volume to a close without some reference to Mr. Lloyd George's part in a movement which acquired a new importance during the period of Liberal administration from 1906 onwards. The demand of women for the vote, although it cannot be said that it has been expressed in these latter days either more cogently or more clearly than it was by its earlier advocates, has undoubtedly been uttered more loudly and with greater insistence. From being an academic question, regularly mooted by debating societies, and hardly regarded as a serious problem of practical politics, it has become an issue which reluctant legislators seem likely to be compelled to face. Whether the demand is within measurable distance of being granted is another question. The story of the progress of the campaign for women's suffrage since a section of women adopted a policy of aggression is a curious, and as yet an incomplete, chapter in our political history. At one time the success of tactics which, though they were in some instances condoned on the principle that the end justifies the means, were never regarded without disgust by the friends of orderly progress, was forcing many people to adopt the cynical conclusion that any method, however flagrantly anti-social, by which a cause could be advertised and pushed, was likely to be profitable. However, the first successes of militant tactics as (to use a cant commercial phrase) an "advertising medium" led the flushed organisers of militancy to excesses which caused them and their policy to be

regarded first as a joke and finally as a plague, and most people, whatever their views may be upon the merits of the question, are probably agreed that any hope of the ultimate triumph of the cause of woman's suffrage now rests with those of its sympathisers who are content to pursue their end without breaking the law.

Nothing would have been gained by interrupting the narrative of Mr. Lloyd George's political career by recounting the occasions upon which his speeches were interrupted, and he himself was subjected to petty annoyances, by men and women who were willing to behave like demented mountebanks in what they considered to be a good cause. There would be nothing edifying or amusing in describing in detail how ladies with blackened faces hid themselves between the roof and ceiling of a hall in which Mr. Lloyd George spoke at Louth, or in cataloguing his broken windows; but some account of his pursuit by the militants is perhaps necessary to a full appreciation of his work on behalf of what he regards as a worthy cause.

His crime in the eyes of these aggressive ladies is that he has consistently supported the extension of the suffrage to the largest possible body of women. Politicians who have strongly and resolutely opposed their demands they regard as enemies who are at least honest and avowed: a Cabinet Minister who, although he professes to believe in the right of women to a vote, will not set their claim above all other considerations and resign his office for the sake of it, is merely an enemy posing hypocritically as a friend. Mr. Lloyd George, therefore, has been pursued with peculiar ferocity by these hard task-mistresses.

It is fair to these ladies to remember that as early as 1906 they apparently had persuaded themselves that Mr. Lloyd George would be among their most devoted allies, and his refusal towards the end of that year to receive a deputation of women suffragists seems to have caused some resentment on their part. In 1907, however (November 21), he did receive a deputation at Glasgow, and he put the plain facts of the situation very clearly and at the same time very sympathetically before them. Both Sir Henry Campbell-Bannerman (who, of course, was still Prime Minister) and himself were, he told them, strongly in favour of women's enfranchisement. But no Bill could be introduced until the question had been before the country in a definite and concrete form, and had been discussed by the electors as they had discussed previous extensions of the franchise. There were, it was true, 400 Members of Parliament pledged to vote for a measure giving votes to women, but it could hardly be said that all these had consulted their constituents. He was not certain that a



large proportion of women desired the vote, and so the suffragists must "educate their sex" and not expect to get their own way too easily. He pointed out that men had to fight long and stiff battles for measures upon which they had set their hearts: supporters of Welsh disestablishment, for instance, had held meetings in almost every parish in their land. Had women done their share—not by "shrieking and hysterical demonstrations," but by serious efforts at conversion? Upon the merits of the question he himself felt no doubts: "It is," he said, "such an obviously reasonable thing that I cannot conceive the right of man to deny it." But it was not by a policy of "henpecking and worrying" men that women suffragists would attain their ends.

However, his advice was not taken, and quite early in 1908 he was made a victim of "suffragette" tactics. On February 28 he spoke at the Queen's Hall on Free Trade. He had, as he reminded the audience, come straight from voting for Mr. Stanger's Bill, which proposed to give votes to women on the same terms as men. This was not counted to him for righteousness by the society which had decided to place him under its ban: he was subjected to a large number of interruptions. He bore them with great equanimity, and interceded to protect his would-be tormentors, declaring that he would rather be interrupted by the women than that they should be roughly handled.

The disorder was more serious at a meeting of the Peace Society at the Queen's Hall on July 28, when he was not permitted to deliver a connected speech. Women whose task it was to interrupt him with irrelevant and for the most part stupid cries had posted themselves in all quarters of the building. The first lady to interrupt had adopted the plan of tying herself to the seat, so that her removal was not effected without difficulty. Mr. Lloyd George endured the uproar smilingly for some time, and he had put up with it for quite a quarter of an hour before he was moved to protest that if women did not show more intelligence than these "very sorry samples," they were unfit for the vote. One of his references to peace was met by a shout from one lady that "Peace must begin at home by giving votes to women." "I agree," said Mr. Lloyd George, "and I hope," he added drily, "that that lady's home is peaceable."

In October Mr. Lloyd George played a minor part in a somewhat amusing sequel to a disorderly meeting in Trafalgar Square, as a result of which a number of "Suffragettes" had been arrested and were prosecuted at Bow Street police court. The captives included Miss Christabel Pankhurst, well-known as a youthful and impetuous leader in the councils of these ardent ladies. Miss

Pankhurst had received a legal education, and obtained a degree with honours in law, and it was one of the many grievances which oppressed her that no Inn of Court had been found ready to admit her to practise at the Bar. Her arrest gave her an opportunity of displaying the forensic ability which the jealousy of man prevented her from using as a means of livelihood. In the crowd which had listened to the oratory of the insurgents Mr. Lloyd George and his daughter, Megan, had been interested listeners and spectators. He was served with a subpoena to attend and give evidence for the defence, and with him Mr. Herbert Gladstone, the Home Secretary, was also summoned. The only disadvantage of the proceeding from Miss Christabel Pankhurst's point of view was that the law of evidence does not permit a party in a case to cross-examine the witness he has himself called. However, the main point was to get Mr. Lloyd George into the box, because if she once got him there, it was quite certain, as Miss Pankhurst probably very well realised, that nobody could prevent her from asking questions even though the witness might not be permitted to answer them. The charge was one of inciting to a breach of the peace, and the incitement had been contained partly in speeches, partly in handbills distributed among the crowd, urging them to "rush the House of Commons." "The modern Portia" (as some journalists did not resist the temptation to call Miss Christabel Pankhurst upon the strength of her achievement) first asked Mr. Lloyd George what interpretation he had placed upon the handbill, and when he declined to put any interpretation upon it, she read to him a definition in Chambers's Dictionary of "rush" as "an eager demand," and asked him triumphantly what he thought of that. The Chancellor of the Exchequer would not, however, "enter into competition with Chambers's Dictionary." He very readily admitted that the crowd had seemed to him to be very unlikely to respond to the incitements, and that he did not think the consequences would be formidable, so that, trusting to the police arrangements, he had not hesitated to take his little girl into the crowd. This was the only admission which Miss Pankhurst obtained, and it was, of course, quite irrelevant to the charge, but relevancy is only one of the pedantic requirements of man-made law. Finally the witness was asked whether he too had not incited people to violence in the past, and when he looked puzzled, his questioner reminded him of the Llanfrothen burial case. While the magistrate was gently suggesting that Miss Pankhurst ought not to cross-examine her own witness, Mr. Lloyd George pointed out that in that case he had only given sound legal advice, afterwards confirmed by the Court of Appeal.



It must be confessed that it is not at first sight obvious that Mr. Lloyd George's enforced appearance in the witness-box materially assisted the cause of woman's suffrage, or even proved (if that was indeed its object) the claim of womankind to forensic ability, but it certainly provided another bold advertisement for the organisation controlled by Miss Pankhurst's family and, what is more, unlike some of the advertisements devised by the same organisation, it did nobody any particular harm.

Two months later (December 5) Mr. Lloyd George added to his crimes in the eyes of the Women's Social and Political Union by addressing a meeting at the Albert Hall, under the auspices of the Women's Liberal Federation, in favour of the extension of the suffrage to women. For some time before the meeting there had been a good deal of correspondence in the papers, from militant suffragists threatening disturbance and disorder on the one hand, and, on the other, from orderly suffragists who desired to confine the agitation to legitimate channels, and were unable to follow the line of thought which would have persuaded them that woman could best advance her cause by worrying its most devoted friends. On December 3, Mrs. Pethick Lawrence, another leader of the W.S.P.U., announced definitely that Mr. Lloyd George would be interrupted at the meeting, and interrupted he was, by a few women so ingeniously scattered about the building that an impression was created that they were far more numerous than they were in fact. The disorder began with the eviction of a lady in the topmost balcony who, when Mr. Lloyd George began his speech, began one of her own. As the stewards removed her she flicked them gently with a dog-whip while her friends screamed in chorus, "Oh, how awful! dreadful! Shame, shame, shame!" The proceeding was repeated by several of her companions in turn, with this exception, that some of them made a more determined resistance, compelling the stewards to use correspondingly greater force, and urging the members of the chorus to louder screams and more horrified exclamations. In the midst of the confusion the organist began to play, "Oh dear, what can the matter be?" a banner with the inscription "Rush the Cabinet" was let down from a box, and from another box a man jumped into the arena. However, Mr. Lloyd George managed to deliver some part of his speech, and to announce that the Prime Minister was pledged to introduce an Electoral Reform Bill and to give an opportunity for the inclusion of women in its privileges upon a democratic basis. The only risk of defeat, he said, lay in the reaction caused by tactics of violence and petty persecution. The meeting passed a vote of censure, against which not more

than thirty or forty persons voted, upon the disturbers of the meeting, but these ladies succeeded in unfurling a second banner, bearing this time the device "Be honest!"

From this time on Mr. Lloyd George hardly addressed a meeting without some disorder, but this was the common lot of Cabinet Ministers, and the many incidents would make a dull catalogue. Sometimes the disturbers showed originality. The famous Limehouse meeting was a case in point. Here women had been successfully excluded, and had to content themselves with making a noise outside. But a male sympathiser within the building hit upon quite an ingenious way of annoying the meeting. He was sitting in the front seats, and at the moment when Mr. Lloyd George's arrival turned all eyes in the direction of the platform, he started to climb a pillar in the very front of the auditorium. He was well equipped for his task, for he had provided himself with a sort of canvas sling on which, after he had first lashed it securely to the pillar, he quietly seated himself. At first people watched him quietly going about his work as if they believed it to be part of the programme, and their mistake was perhaps the more natural as he was carrying a flag which he was evidently about to unfurl. But the stewards knew better, and the audience soon noticed that the flag was the purple and green emblem of the W.S.P.U. It was a diverting spectacle to see a steward with a clasp-knife pursue the climbing suffragist, cut down his supporting ropes, and fall with him in a confused heap on the floor, and the delay before the speech began was on this occasion comparatively trivial. So that from the point of view of Mr. Lloyd George and his audience the occurrence was not serious: from the look of things it may have had a serious side for the climber, who had to run the gauntlet of a very angry crowd before he escaped.

Another incident with a humorous aspect marked the meeting at the Queen's Hall at which Mr. Lloyd George spoke on the House of Lords and the Free Churches in December 1909. When he arrived at the main entrance alone in his motor-car two "suffragettes" at once ran up to it, and one of them jumped in and sat herself opposite to him while her companion closed the door and turned the handle. The lady who had made this sudden invasion of a Minister's privacy began without loss of time to harangue him. "You are going to talk about the Peers to-night," she said, "we complain about the House of Commons. I hope you will remember what women are suffering." It is not surprising, perhaps, that Mr. Lloyd George's prevailing emotion seems to have been amusement. The lady at any rate declared afterwards



that she was exasperated because all the time she was talking he was smiling, and to mark her resentment she took him by the shoulders and did her best to shake him. The meeting, however, was not interrupted, as a man and a woman who had succeeded in concealing themselves inside the building at nine o'clock on the night before the meeting were discovered and ejected, after they had remained in hiding for nearly twenty hours, at about five o'clock on the evening of the meeting.

In July 1910 Mr. Lloyd George voted against the Parliamentary Franchise (Women) Bill introduced by Mr. Shackleton. The Bill proposed to give the vote to every woman "possessed of a household qualification, or of a £10 occupation qualification," and it was commonly known as the Conciliation Bill, because suffragists of various schools of thought had agreed to support it. Mr. Lloyd George spoke on the second day of the debate (July 12) and explained that his objection was to the narrowness of the franchise. He was as firm as ever in his support of the principle of votes for women. Women in this country, he said, were affected by good Bills and by bad Bills, by good government and by bad government, just as seriously as men, and he had never been able to find out a reason why they should not have a hand in fashioning the laws which affected their lives and happiness, and why they should not also have a voice in choosing the government under which they lived. He refused to support the Bill on the ground that it was so drafted that it could not, consistently with the rules of the House, be amended in a democratic sense. He suspected, evidently, that some of its most prominent supporters were not anxious to see the vote in the hands of women of the poorer classes. It was true that Mr. Shackleton, in introducing the Bill, had said very frankly that it was "the thin end of the wedge." But as Mr. Lloyd George pointed out, when Lord Cromer—an opponent of woman's suffrage—speaking the night before at the Queen's Hall, said that although this might be a moderate Bill, there would be an ultimate demand to give votes to all women, there had been a very significant incident. "Five tall women, garbed in white and purple and green ribbon, rose and solemnly said, 'Liar!'"

The Conciliation Bill, upon which the Ministry were fairly equally divided, while there was a small majority against it on the Opposition front bench, passed its second reading by a majority of 109, and was referred to a Committee of the whole House, which meant, as the Government announced its inability to provide facilities for its passage into law, that the Bill went no further. On July 21 Mr. Lloyd George attended "as a private

member " a meeting of members of Parliament who were in favour of the grant of the suffrage to women, and an official report of the meeting stated that he had made it clear that he would only support a democratic solution.

Mrs. Fawcett has a deserved and honourable place among the most sane and temperate advocates of suffragist claims, but she was betrayed by her annoyance at Mr. Lloyd George's defection, as she considered it, upon the Conciliation Bill, into a rather rash generalisation upon the demerits of the Celt, whom she declared to be unfitted for government. "Petulance does not serve a cause," Mr. Lloyd George said in answer to this attack, and he pointed out that the majority of Welsh Celts had voted in favour of the Conciliation Bill, a fact which in her anger against him Mrs. Fawcett had apparently overlooked.<sup>1</sup> In September he granted an interview to a deputation of women suffragists at Criccieth. He stated his objections to the Conciliation Bill, and was asked by one of the ladies whether he put the advantage of the Liberal Party before the Bill. The answer he gave was instructive as to his ideals: "I put first," he said, "the causes I have at heart—Welsh Disestablishment, land reform, improvement in the condition of the masses."

Mr. Lloyd George's refusal to support the Conciliation Bill of 1910 added, if that were possible, to the fury of the militant suffragists, although one suspects that, if he had voted for it, his action would have been construed as a piece of cunning hypocrisy. It no doubt also brought him under suspicion in the eyes of a good many of those suffragists who were opposed to militant tactics. It is not difficult to understand their point of view. To them the great object to be attained was the recognition of woman as a citizen with all the rights of citizenship. If once their sex obtained this recognition, they regarded it as a secondary question, to which Liberals and Tories might well return varying answers, whether all or only some women should be given votes. The problem necessarily wears a different appearance to a man who is above all things a democrat. He is not so much concerned for the recognition of the female sex as for the recognition of the principle that all who are affected by government should have a voice in government. That principle must always admit of qualification, and in the past most of the statesmen and philosophers who have formulated the most complete and consistent theories of democracy have not regarded it as one of the essentials of a democratic system that women should directly participate in the business of the State. What is essential to a democratic

<sup>1</sup> At Bodnant, North Wales, August 12, 1910.



order is that no one shall be excluded from a share in the government merely on the ground of inferior birth or wealth. In other words, one may be a good democrat and refuse votes to women, but it is impossible that a good democrat should be prepared, except by way of compromise, to give votes only to property-owning women. It is a little amusing to look back now at the first immature judgment of the boy of sixteen, who "did not see why single women and widows managing property should not have a voice in the adjustment, etc., of the taxes."<sup>1</sup> That view is attractive to many people of older growth, but it is impossible that it should commend itself to a democratic statesman. Mr. Lloyd George's view in later years has always been what he declared it to be at Nottingham in 1907, "that it is inequitable to exclude one-half of the human race from determining and framing the laws affecting their well-being and happiness," but he would be stultifying the essentials of his creed if he agreed to recognise a right claimed in respect not of a common humanity but of the possession of property. The fact that this attitude drew down upon him the implacable hatred of some women suffragists, and brought him under the suspicions of others, led him and many others besides to accept the not improbable inference that in some of its manifestations the suffragist movement has been inspired by hostility to Liberalism and to democratic principles.

In May 1911 Mr. Lloyd George voted for Sir George Kemp's Women's Enfranchisement Bill, a "Conciliation Bill" so drawn as to make an amendment on democratic lines possible. The Bill was carried by a majority of 167. Later in the year, undeterred by the persistent nagging of some of those whose cause he had espoused, Mr. Lloyd George began to take a more active part than ever in the suffragist campaign. In November the Prime Minister, himself a convinced opponent of the proposed extension of the suffrage to women, announced the plan which the Government had devised, in accordance with the pledge of 1908, for the purpose of giving that policy a fair chance of adoption.

The Electoral Reform Bill was to be introduced in 1912, and it was the intention of the Government that it should go through all its stages in that year. It would be drafted in such a way as to admit of any amendment, and the Government would leave the decision on any amendments to the House of Commons. What was most important of all, the Government would regard any amendment enfranchising women which was carried as an integral part of the Bill, and would defend it in all its stages. This promise was far from satisfying the militant ladies, but it seemed to most people

<sup>1</sup> Vol. i. p. 34.

to make it certain that the question of votes for women would be the subject in 1912 of an unfettered verdict. Mr. Lloyd George went further, and thought that such a verdict would be favourable. "The Prime Minister's pronouncement as to the attitude to be adopted by the Government towards the question," he said in a message to the National Union of Suffrage Societies, "seems to me to make the carrying of a women's suffrage amendment, on broad, democratic lines, to next year's Franchise Bill, a certainty. I am willing to do all in my power to help those who are labouring to reach a successful issue in the coming session. Next year provides the supreme opportunity, and nothing but unwise handling of that chance can compass failure." He was as good as his word. A few days later, at the National Liberal Federation Conference at Bath, he did his best to convert those of the party who were not attached to the cause of feminism. His speech would have been more effective if it had not been for the interruptions of suffragists, who have always resented his advocacy as much as they have complained of his silence. He asked his audience to pay no attention to "exhibitions of temper" such as had been displayed by those who interrupted him. The vast majority of women suffragists, he said, deplored them. The section that interrupted meetings was much less pro-suffrage than anti-Liberal. Before ever Sir Edward Grey was a Cabinet Minister, they had interrupted his meeting at Manchester, but they never interrupted Mr. Balfour, although he was Prime Minister at the time. They had opposed Liberal candidates who were in favour of the suffrage, and supported Tory candidates who were against it. They were angry now because the Conciliation Bill, a measure of limited suffrage, which would have been grossly unfair to Liberalism, had been "torpedoed," and the way was clear for a broad and democratic amendment. That explained the fury of these anti-Liberal women. "Do not play their game," he asked his hearers. "There is nothing they would hate more than to see that carried next year. It does not suit their book. They will look so silly if it is carried, and the whole of their effort to destroy the Liberal Party by further packing the register will be a failure."

In this speech he based his support for the principle upon the proposition that as women were equally affected with men by most laws, and more directly affected than men by some laws, it was right that they should have an equal voice with men in the making of the laws. The proper functions of the Government, he argued, were now held by all parties in the State to include the making of laws which directly interfered with the home. The Government had usurped the very questions which in the



old days individual men and women decided for themselves. As examples of this usurpation he cited the subjects of legislation of the past few years—education, the housing problem, the feeding of children, provision for old age and sickness, the treatment of disease. Why, he asked, should not men and women give the same mutual aid and succour as in the past, now that these great questions had come within the purview of the State.

He derived an argument for women's suffrage from his own experience in relation to the Insurance Bill. It raised problems, he declared, about most of which no one was so fit as a woman to express an opinion. The interests of women were deeply affected, and yet they were not thought fit to have a voice. In dealing with the Friendly Societies he had discovered, he said, that in the experience of every Friendly Society official, it was in great part owing to the influence of the women that the contributions of the men were kept up. Through unemployment and privation, made harder sometimes by a husband's drunkenness, the women sometimes sacrificed their sixpence, sevenpence, and ninepence a week, "scraping it together from their own bread and butter," in order to provide something for the days of sickness.

He turned to the constructive policy of the Opposition—Tariff Reform. "All we ask is that the custodian of the cupboard may have a weapon to defend her children's bread." On the housing question the woman was the best authority. Up to the present all her share in the housing question had been suffering. "Slums are often the punishment of the men: they are almost always the martyrdom of the women." He dismissed, with a glowing condemnation of war, the argument that women ought not to vote, because they were unfitted to fight. Men made the better soldiers, but women made the better nurses, and theirs was the nobler work. War was not a permanent institution: it was receding along the same dark road as the duel. If women, by their presence on the register, saved us from the infamy of a single war, they would have justified their vote before God and man. It was his belief, he said, that when women—not in England only, but on the Continent too—had won the vote, the mothers in the great European countries would see to it that the fields of Europe were not drenched with the blood of their sons.

In December<sup>1</sup> Mr. Lloyd George and Sir Edward Grey came out as "the fighting champions of the women's suffrage cause" (the phrase was that of the Countess of Carlisle) at a meeting of the Women's Liberal Federation in the Horticultural Hall. When the fighting champions arrived outside the building, angry militant

<sup>1</sup> December 18, 1911.

women rushed at them with cries of "Traitors," and one lady hurled a handful of pamphlets at them. When Mr. Lloyd George left, a male sympathiser with the cause of "freedom" threw a stone which struck him on the face. At this meeting the Chancellor of the Exchequer again relied largely on the instance of the Insurance Bill as a measure in which women were vitally interested.

While the Bill was before the House of Commons he had received, he said, deputations from almost every great organisation in the country. One of the very best deputations he had received, one of the most interesting, one of the most effective, was a deputation of mistresses and domestic servants. It was business-like: the speeches were very much to the point. "One lady spoke for exactly two minutes by the clock, and went straight to the heart of the problem. Another lady gave me seven or eight questions, each of which contained a complete statement of what the difficulties of the case were. Whenever the servants interposed, their observations were very relevant, very emphatic, and I observed that their judgments were invariably sound, and never given until they had heard both sides. And my friends, the Attorney-General and Mr. Masterman, who were there with me receiving the deputation, both said at the end, when we were comparing notes, 'And yet they say women are not fitted for the vote.'"

He also dealt with the argument that the extension of the franchise to women "would end in some great national catastrophe." He answered it with the retort that "any extension of the franchise had been similarly attacked." He cited the debates on the Reform Bill of 1832, and the remarks of "a gentleman with the most appropriate name of Mr. Croker," who had predicted that the country would be in the hands of the mob, that Anarchy, with all its horrors and its miseries, would come, that the appetite for change would go on increasing so long as there remained food on which it could be indulged, "and would lie down at last, like the wild beast, appeased and quiet only when he is satiated with having devoured all that was within his reach."

Mr. Lloyd George was the first Cabinet Minister to speak at a non-party meeting in favour of the cause of women's suffrage. It was organised by the National Union of Women's Suffrage Societies, and held at the beginning of 1912 (February 23). The Earl of Lytton, who spoke as the representative of Conservative suffragists, expressed his regret, when he seconded the resolution proposed by Mr. Lloyd George, that there had been those in the meeting who had refused to listen to "the man who perhaps could do more for this cause than any other man," when at last they had him on their platform. Certainly the attitude of a



section at least of the audience was not one of welcome to a champion of their cause. He was told quite early in his speech that he was a traitor, and his attempt to put before the meeting the plain facts of the position of their policy in the sphere of practical politics was throughout broken into by interruptions which were only too effective as a counterblast to the eulogies of feminine acumen and business ability upon which Mr. Lloyd George has been accustomed so largely to base his support of women's claim to votes. Mrs. Fawcett, who by this time had forgiven him, was in the chair, and did her best to restrain the ardour of the obstructionists, but without any very great success. "Let there be nothing but sounds of welcome," she said when a hiss greeted her first mention of Mr. Lloyd George's name, "to the strongest and most forceful personality in the present Government. Let our great non-party society give him a welcome worthy of themselves and of the great cause which binds us all together." Mr. Lloyd George did his best to persuade the meeting, and succeeded, it seemed, in persuading all but the irreconcilables, that the intentions of the Government were honest and likely to lead to the triumph of the suffragist cause within a year. He stated the obvious proposition that the change of Government, which appeared to be the object aimed at by the militant suffragists, would not bring them any nearer to the realisation of their hopes, and he expressed himself very confidently as to the chances of a favourable vote in the House of Commons.

One must suppose that his confidence was shaken when, a month later, yet another Conciliation Bill, introduced this time by Mr. Agg-Gardner, and supported by Mr. Lloyd George for the same reason for which he had supported the Bill of 1911, namely because it was open to amendment, was defeated by a majority of fourteen. The fact was that many Members of Parliament who had pledged themselves to the support of women's suffrage had repented of their pledges. No less than 169 members were absent unpaired from the division. It is impossible for the most convinced opponent of the policy of the Bill to refuse some sympathy to the disappointed women who had relied upon promises, given only too readily when the prospects of legislation in their fulfilment seemed remote, and broken when their realisation grew from a dim possibility into an awful probability. It is more difficult to feel any compassion for those who have gone from one futility to another in their pursuit of disorderly tactics, even when they have become the victims of their own excesses. In September, when Mr. Lloyd George's native village was doing him honour on the occasion of the opening of the Institute with which he had presented

Llanystumdwy, a few "suffragettes" were misguided enough to interrupt the proceedings after their accustomed manner. They got some rough handling, which Mr. Lloyd George did all in his power to restrain. There is, however, fortunately no doubt that the attack which they provoked was very far from being as savage or as effective as many accounts in the newspapers led the public to believe. The ladies, expecting, as they were bound to expect, a summary retribution, had been prudent enough to put on old clothes, and these were badly torn; but the personal injuries which they suffered were happily slight.

To the orderly supporters of the policy, however, none of us need refuse his sympathy, and if they deserved it in March 1912 they deserved it more at the beginning of 1913, when the Speaker's ruling upset with dramatic suddenness the whole Government scheme. Supporters and opponents of the suffragist proposals were alike convinced by the end of 1912 that a decisive conflict was impending. Both parties were marshalling their forces. On the suffragist side there were three competing proposals. The Labour Party proposed to confer the franchise on every woman in the country over twenty-one years of age. Another amendment would have carried out the provisions contained in the Conciliation Bills, which, speaking generally, confined the franchise to women householders. A third introduced the plan, which was said to have worked well in Norway, of conferring the franchise upon women householders and upon the wives of married electors. In the abstract one might suppose that the first plan would have commended itself to Mr. Lloyd George, but he regarded it as outside the pale of practical politics. In a speech to a deputation of suffragists which waited upon the Welsh Parliamentary Party on December 3, he said that it had not the slightest chance of being carried. He gave his support to the "Norwegian amendment," which might, no doubt, be defended as a workable compromise, although it is not easily defended when judged by the tests which led him to object to the principle, or lack of it, in the Conciliation Bill.

With the Speaker's ruling the hopes of the suffragists suffered a rude shock. It is fair to add that many of those who oppose the grant of the franchise to women were hardly less disappointed by it. It was, I believe, fairly certain that the amendments enlarging the Reform Bill so as to include women would all of them have been defeated. However that may be, the question remains unsettled, and in proportion as the militant suffragists advance with increasing recklessness upon the path they have marked out for themselves, the prospects of the ultimate success



of their cause seem to grow fainter. If the policy has gained less than might have been expected from the advocacy of Mr. Lloyd George, the fault lies not with him but with those who, if they have failed to damp his enthusiasm, have succeeded only too well in silencing their own advocate and in weakening by their conduct the force of the arguments upon which his support for the policy is based.



Miss Megan      Mrs. Lloyd George      Miss Nuttall      Mr. Lloyd George      Mr. Gwilym      Miss Olwen  
**MR. LLOYD GEORGE WITH HIS FAMILY UNDER CANVAS**  
 Spending their holiday on the slopes of Moel Hebog, a mountain in the Snowdon range





## CHAPTER IX

A retrospect—Mr. Lloyd George as a statesman—As a Nationalist—Looking forward—The land campaign.

**I**T is impossible to sum up an unfinished and incomplete record, and the relation of a living man's activities necessarily leaves us in a condition of doubtful anticipation, of hope or of dread, according to the bent of our own minds. And yet sometimes the events of contemporary history seem to fall of themselves into chapters which are so far complete that it becomes possible to take stock of the past without finding that our estimate of things achieved is necessarily confused and darkened by speculations about the future. It seems to be possible, without any arbitrary delimitation, to regard the beginning of the year 1913, which saw the Insurance Act in working order and the Parliament Act in full force, as marking such a halting-place, from which it is safe to look back upon the ground which the subject of our record has already covered. For a man who is sometimes spoken of as a visionary and as an unpractical rhetorician, everybody must admit that Mr. Lloyd George's record of actual achievement is a remarkable one. His work, legislative and administrative, at the Board of Trade, lies outside the sphere of controversy, and it is very easy to underestimate the value of measures which, partly from their excellence, have roused neither the passionate protests of opponents nor the fervent loyalty of friends. If we turn to his record as Chancellor of the Exchequer, we tread at once upon more debatable ground. But even here every one is agreed, from one point of view or another, about the greatness of his achievements. Mr. Bonar Law has told us of himself that he is accustomed to appraise the merit of his own speeches by the amount of irritation which they arouse in his opponents. If such a test were to be applied to the controversial measures which Mr. Lloyd George has introduced, his success would be found to be great indeed. The first Budget which he framed and introduced was made the issue of a constitutional



struggle which, whatever changes the future may bring, has permanently deprived the hereditary House of its old ascendancy. It may be that a Tory administration will some day restore to a Second Chamber powers like those which the House of Lords enjoyed until 1912, but if so, that Second Chamber will not be the existing House of Lords. The Insurance Act, it can be said quite safely, will never be altered in its essentials. It is probable that before many years have passed it will be classed by general consent as a measure no less beneficial and no less beyond controversy than the Old Age Pensions Act, for which also Mr. Lloyd George can claim a large share of credit. But it is unnecessary to enter into the region of speculation to justify the proposition that to have passed a measure so vast and so little calculated to arouse enthusiasm, in the teeth of an opposition which took forms so various, and some of them so malignant, is to have gained a great and memorable victory in the domain of statesmanship.

These are all solid achievements, wrought into the fabric of the State, and they will survive when his eloquence is but a memory and a tradition. But his rhetoric, though it has made him many enemies, has been an element by no means to be despised in the driving force behind the proposals, revolutionary or constructive, for which he has stood. He was probably not thinking of himself, but it may be said that he unconsciously revealed himself, when, in pronouncing an eulogy upon Tom Ellis eleven years after his death, he told his audience how political opponents, who had judged that Welsh patriot in the first instance from speeches in which he had fiercely denounced some wrong, had often been amazed on meeting him to find him so amiable, so free from all personal bitterness :

They forgot that the more tender the man the more deep his resentment of oppression, the more burning his anger against those who trampled upon the weak.

Some of those who fear and distrust Mr. Lloyd George will no doubt refuse to credit him with convictions so deep and fervent as may serve to explain the fervour of his oratory. No more odious charge can be brought against a politician than the accusation of insincerity : no charge should be more hesitatingly preferred. In fact, there is no accusation more commonly and more lightly made. " You have no convictions," Mr. Bonar Law cries out jauntily and comprehensively to a Bench of Cabinet Ministers, and his party unrestrainedly applaud him. Thoughtless Liberals throw the same taunt at honest Conservatives with equal levity.

Unfortunately many politicians would rather be told that they are insincere than that they are foolish, just as some ladies would rather hear insinuations against their virtue than against their looks. The truth is that, as there are more women who are virtuous than women who are beautiful, so there are more honest than there are strikingly able politicians. It is possible to be both honest and able, but we cannot expect political opponents to allow both qualities to those whom they distrust, and it is therefore perhaps not unnatural that where they cannot deny ability they should impute dishonour. This much can be said, that accusations of insincerity against Mr. Lloyd George do not come from those who have been brought into personal contact with him. No man has less cynicism in his composition: no man feels or betrays less rancour against individuals.

It is partly this personal charm that has made him the popular hero of his own nation. To those who know the nature of his relations with his old friends at Llanystumdwy and at Criccieth it will seem superfluous and perhaps almost offensive to say that there is no hint of patronage in his attitude towards them, or of subservience in theirs towards him. And Welshmen far beyond the borders of his native place regard him with something of the same intimate affection. In Wales, at any rate, his sincerity is never doubted. Wales has had to wait long for the fulfilment of her national aspirations, and but for the faith she had in her chosen leader, and the assurance which his presence in the Cabinet gave that she would be fairly dealt by, the Liberal Government would more than once have had to face resentment and rebellion in the Principality. One is tempted, in writing of him as a nationalist leader, to quote again from his own tribute to the colleague whom he lost too early:

He loved Wales with an intense passion. He loved her traditions, her language, her literature, her mountains and her valleys, her great men and her religion, and above all he loved her people. He could hardly talk of Wales and Welsh things without tears. But his patriotism was not blind. He admired her achievements, her virtues, and her genius, but he was never blind to the faults of her people. . . . Nor was his patriotism narrow. There never was a man who was more alive to the excellences of his own race, but that never allowed him to ignore or to despise the great qualities of other nations. He was a great believer in the British Empire. His ambition for Wales was to see her take her proper place in that Empire, and to make that place the best that he and her sons could win for her.

When the great assembly of Welsh people gathered at Carnarvon in 1911 to see the investiture of the Prince of Wales, the shout



of welcome that went up when, as Constable of the Castle, Mr. Lloyd George made his first appearance, would have been enough to convince any doubting Englishmen of the reality of his hold upon the affections of his fellow-countrymen. It is hardly possible to read his speeches without seeing that they reveal the intensity of his affection for Wales. When you come across a flash of poetic genius in one of them, it is as often as not inspired by some memory of the country that is never out of his mind. Such a passage may be seen at the end of his speech on the Budget at Carnarvon,<sup>1</sup> where he uses his boyish journeyings in the woods in quest of sticks for the fire to point his moral, and another in that wonderful peroration which tells of the promise of fair weather, when the clouds are seen lifting from the valleys and gathering round the mountain-tops. And throughout the speeches one may find indications of an honourable pride of race, of pride in the free spirit of his countrymen, in the victories they have achieved over the remnant of feudal despotism, in the widely diffused love of learning and of the arts which recalls the glories of the old city-states of Greece.

With the passing of the Parliament Act Wales, like Ireland, has seen one of her dearest aspirations brought at last near to its fulfilment. There are those who see nothing in the Welsh Disestablishment Bill but a desire to pay off old scores and to humiliate the Church in Wales, and even those who do not deny the justice of the proposal sometimes wonder at the intensity of feeling about a cause which seems to them so small. The truth is that the demand for Disestablishment of the Church in Wales springs from the same deep source as the demand of Ireland for a Parliament. The Welsh people are not merely seeking to remove an anomaly, they are not merely seeking to remove an injustice. They are in truth demanding a recognition of their nationality. The principle for which they contend, as their spokesman said in the House of Commons when the Bill was first introduced under new and hopeful conditions, is this, that the question of what is the best method of dealing with their own spiritual concerns is a matter for them alone.

We alone are responsible. If the arrangement is a bad one, we alone suffer, and we alone can be called to account. No nation and no individual has the right to dictate in the matter of religion to any other nation or individual. . . .

The wrong we feel is this—we feel that in this case really it is England that denies justice, and is imposing upon us, as the national exponent of our spiritual life, not the Church of our choice, not the Church that has been the

<sup>1</sup> Vol. iv. p. 716.

source of the spiritual life of the nation, not the Church which has been the means of rescuing us from degradation ; but their own Church, the Church that suits them and not us, the Church which is the exponent of their view of spiritual life, of their attitude of mind, of their temperament, and not of ours. What greater wrong can you inflict upon a nation than that ? <sup>1</sup>

Wales has found that her trust in her champion was well founded. He has not become any the less a Welshman because, with increasing influence, his outlook has widened. The question of the future is whether the common people of England will continue to accept him as their guide and as their spokesman, whether, if they do, their confidence will be wisely placed.

It is because he appeals boldly to the poorer classes of the country to accept his leadership that he is so much hated by many of the upper classes. He is accused of " setting class against class." That is a cant phrase, and cant phrases are, as a rule, found on examination to be misunderstood and misapplied phrases. It is no doubt wrong to use language which exaggerates social inequalities and the grievances that spring from social inequalities. It is wrong that a statesman should hold out hopes to poor people which statesmanship cannot fulfil. But in a community where privileges attach to birth which no degree of merit and of education can hope to win, where hereditary and unmerited poverty can reduce existence to a pitiful struggle for the bare necessities of life, while equally undeserved wealth brings to its fortunate possessors both private luxury and public honours, it is futile to ask any one but an incurable pessimist to treat class distinctions as an inevitable accompaniment of our civilisation. The inequalities are admittedly glaring ; unless they are also inevitable there can be no excuse for refusing to point them out. To draw attention to them is the first step towards remedying them. Must they be passed over in silence because by announcing their existence the anger of the masses may be roused ? To that question there are two answers. First, that the anger of the people is never dangerous to the established order when those who help them to a realisation of their legitimate grievances are men in authority, who point to what is wrong with the intention of setting it right. Secondly, that in such a case the anger of the masses will not be roused, unless those who profit by unjust inequalities refuse to admit their existence or the possibility of their removal.

Mr. Lloyd George is now ready to lead his countrymen in a new campaign, designed to remedy grievances which all but very

<sup>1</sup> Mr. Lloyd George in the House of Commons, April 25, 1912.



few among articulate politicians admit to be serious and far-reaching in their consequences.

"There is a great task in front of us," he told an audience of working men in the Walthamstow division in June 1913.

Do you know what is in front of you? A bigger task than democracy has ever yet undertaken in this land. You have got to free the land, to free the land that is to this very hour shackled with the chains of feudalism. We have got to free the people from the anxieties, the worries, the terrors—terrors that they ought never to be called upon to face—terrors that their children may be crying for bread in this land of plenty. We have got to free the land from that. It is our shame. It is a disgrace to this, the richest land under the sun, that they should want—a contingency which no honest, thrifty man in this land should have to face. The Insurance Act is a beginning, and, with God's help, it is but a beginning.

There will be no class war unless the privileged class is unduly tenacious of its privileges. Sometimes there are sad indications of a desire to resist even a small curtailment of luxury. Late on October 15, 1912, the Tories in the House of Commons arose and hooted the Chancellor of the Exchequer. This demonstration followed some very proper inquiries by a Tory member as to the working of the Land Inquiry Committee, which, under Mr. Lloyd George's direction, and with the full sanction of the Government, was collecting data upon the question of the land. Few of Mr. Lloyd George's statements, according to the "Times" reporter, were received without derisive cheers, but the fury of the Opposition was finally aroused by his uttering one word of dread significance. Asked if the names of witnesses would be published, he retorted: "They want to get the names of the men who dared to give information about wages, about the conditions of labour, about management, and about *game*." "His last intelligible utterance," said the "Times," "was the provocative word *game*." If it is in a temper so readily provoked that some legislators approach a question of such moment, one may well fear that class will be set against class. But the fault will not be with Mr. Lloyd George.

His campaign for Land Reform has been compared rather superficially with Mr. Chamberlain's campaign for Tariff Reform. One striking difference vitiates the comparison. Mr. Chamberlain rested his case upon a supposed decline in British trade which the great body of expert opinion did not admit. Obstinate traders continued to prosper and to deny that the evil which he had set out to cure existed at all. On the other hand, nobody denies that there is a land question. It can hardly be pretended that the

agricultural labourer's condition is such as to reflect credit upon an imperial race. Twelve, thirteen, fourteen shillings a week, eked out with all sorts of allowances, form the wage of a great proportion of the workers on the land. The cottages available for the agricultural labourer to dwell in are insufficient : such as exist are often insanitary. He has no hope of bettering his position save by emigration. These things cannot be denied. That the tenant farmer lacks security of tenure, and that not he alone, but agriculture, suffers thereby, is equally indisputable. That the land of the country is grossly under-cultivated is boldly stated in Tory pamphlets. The inequalities of the rating system have long been urged by reformers of every school. In the campaign which Mr. Lloyd George has inaugurated on behalf of the Government there will be great differences of opinion as to the remedy which the malady demands : there can be no dispute about the existence of the malady itself.

He has undertaken a great task. If he fails, it is, I think, strictly true to say that it will be his first serious failure. He cannot fail entirely, because he has already succeeded in the great object of making Land Reform a topic which neither party in the State can shirk. If in any measure he succeeds he will have passed another milestone upon a road which, one may hope and believe, he will never cease to travel while life lasts.



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